مكتوفا من الاصل

DE KLERK MOVES TO SCRAP THE APARTHEID LAWS

The Global Newspaper
Edited and Published in Paris
Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 33,571 .5/91 ** PARIS, SATURDAY-SUNDAY, FEBRUARY 2-3, 1991 ESTABLISHED 1887

Legal Discrimination Could End 'in Months'

By Christopher S. Wren
New York Times Service

CAPE TOWN — President Frederik W. de Klerk moved Friday to smash the bedrock of apartheid, announcing that he would scrap the remaining laws on which South Africa's ideology of racial discrimination has rested.

In a speech opening the 1991 session of Parliament, Mr. de Klerk said legislation would soon be introduced to repeal the Land Acts of 1913 and 1936, which reserved most of the country's land for the white minority; the Group Areas Act of 1966, which mandated the racial segregation of communities, and the Black Communities Act of 1984, which entrenched the separate status of black townships.

Mr. de Klerk also announced that the Population Registration Act, which divides South Africans into four racial groups, would be eliminated, although he said that "temporary transitional measures" were needed to keep the present constitution working.

The government had previously maintained that the demise of the Population Registration Act, upon which the constitution rests, had to await the writing of a constitution extending political rights to the black majority.

But Mr. de Klerk said Friday that "following investigation, it would, in fact, appear possible to repeal this act, provided that this is accompanied by the adoption of temporary transitional measures toward the acceptance of a new constitution."

The elimination of racial distinctions would throw into question the legitimacy of Parliament, which has separate chambers for white, mixed-race and Indian legislators, and none for blacks. Mr. de Klerk was proposing, among other things, that Parliament, and by extension his government, be kept intact through temporary legal provisions that would allow repeal of the Population Registration Act.

Gerrit Viljoen, minister for constitutional development, said the racial classification of newborn babies and immigrants would end the day that the Population Registration Act was repealed. He also suggested that the racial classification of other South Africans, although still on the registration books, would fall into disuse as fast as possible.

"Should Parliament adopt the government's proposals," Mr. de Klerk said, "the South African statute book will be devoid, within months, of the remnants of racially discriminatory legislation which have become known as the cornerstones of apartheid."

Mr. de Klerk is not expected to have difficulty enacting the changes, because his governing National Party and the liberal Democratic Party control almost three-quarters of the seats in the white House of Assembly.

But the legislators of the rightist Conservative Party, which forms the official parliamentary opposition, angrily walked out during Mr. de Klerk's hourlong speech. The Conservative Party leader, Andries P. Treurnicht, said later that Mr. de Klerk's plans to scrap the laws struck at the roots of white community life.

"It is surprising that South Africa now has the only leader in the Western world who is negotiating himself, his party and his people out of power," Mr. Treurnicht said.

The leader of the Democratic Party, Zach de Beer, noted that Mr. de Klerk had promised to repeal the Group Areas and Land Acts. But, Mr. de Beer added, "most of us did not expect that the Population Registration Act would go this year, and we're pleased."

The speech Friday gives further momentum to a process that Mr. de Klerk began at the opening of Parliament on Feb. 2, 1990, when he legitimized the African National Congress and other anti-apartheid organizations and announced his inten-

See DE KLERK, Page 4

EC, but Not U.S., Ready to Ease Sanctions

Compiled by Our Staff From Dispatches

BRUSSELS — The European Commission said Friday that President Frederik W. de Klerk's pledge to scrap the last cornerstones of apartheid would allow the European Community to ease sanctions against South Africa.

"The execution of these initiatives will allow the Community to ease the measures adopted in 1986," said the EC external affairs commissioner, Frans Andriessen.

The U.S. State Department praised the move but said that one more condition must be met to bring an end to U.S. sanctions: "The release of all prisoners persecuted for their political beliefs or detained unduly without trial."

"We welcome President de Klerk's historic announcement," the State Department spokesman, Margaret D. Tutwiler, said in Washington. "This is further evidence of President de Klerk's courageous statesmanship. Once enacted, these dramatic and far-reaching measures will abolish the remaining legislative pillars of apartheid."

The U.S. Congress in 1986 legislated sanctions that include a ban on investment and an embargo on manufactured and agricultural products and most raw materials from South Africa.

The British prime minister, John Major, said in London that economic sanctions should be lifted to help Mr. de Klerk in his plans to create a "new South Africa."

"President de Klerk has kept his promises and fundamental change has come to South Africa," Mr. Major said. The international community's response should measure up to this." *(Reuters, AP)*

A Short-Lived U.S. Recession? Economic Figures Dash Hopes

By Lawrence Malkin
International Herald Tribune

NEW YORK — Any hopes that the U.S. recession would be short were dashed Friday by collapsing employment and orders figures. The numbers forced the Federal Reserve Board to cut interest rates aggressively, and big banks quickly followed by lowering their prime lending rates.

Worries about the Gulf war went out the window in the financial markets as the focus shifted to sobering economic news for January: The U.S. economy lost 232,000 jobs, and the nation's purchasing managers reported manufacturing far weaker than expected as their index of economic activity plunging almost three points to 37.7.

As the Fed cut its discount rate to 6 percent from 6.5 percent, the dollar fell against the Deutsche mark. It was pushed close to record lows as the spread widened between U.S. rates and what investors could earn in Germany, which which raised its rates Thursday.

The dollar steadied only on unconfirmed suspicions that central banks were intervening to prop it up after the German and British central banks had moved to support the pound.

In the bond market, long-term U.S. Treasury yields fell one-tenth of a percentage point to 8.10 percent, which pointed to higher bond prices at next week's Treasury auction.

Wall Street reacted strangely. Traders first sold stocks and took profits, driving the Dow Jones industrial average down 31 points. But then they bet that falling interest rates would make stocks more attractive even if a steep recession cuts profits. Blue chips then climbed back toward Thursday's levels.

After the past week's leading indicators and the government's report of an unexpectedly small decline in the GNP late last year, optimism had developed that the recession was bottoming out. Friday's unemployment figures dispelled the false hopes of some forecasters.

The unemployment rate moved from 6.1 to 6.2 percent, and layoffs were 84,000 higher than in December. Almost all sectors lost jobs, especially manufacturing and construction. Hourly earnings and the length of the average work week also dropped.

Further job declines lie ahead: Eastern Airlines's bankruptcy put 18,000 people out of work, and prime Pentagon contractors for a canceled bomber contract are laying off 20,000 workers.

Simultaneously, the National Association of Purchasing Management, whose index is as closely watched by the Fed as the unemployment numbers, reported a de-

See DATA, Page 11

Allies Capture 500 POWs, Confusion Over Iraqi Thrust

Agence France-Presse
Iraqi prisoners of war in a vehicle near Khafji, Saudi Arabia, on Friday. They were reportedly captured in the battle for the town.

Troops Mop Up In Khafji

Compiled by Our Staff From Dispatches

Iraq said Friday that it had withdrawn its forces from the Saudi coastal town of Khafji on Friday after a successful operation, but allied commanders said the Iraqis left behind 500 prisoners and many dead after a "stupid" military operation.

In Washington, Lieutenant General Thomas Kelly, chief of operations for the Joint Chiefs of Staff, said he could not figure out the intention of the triple-pronged Iraqi attack across the border, including the attack on Khafji, and reported movements of Iraqi troops and armor north of the frontier.

"There was enemy movement in the Kuwaiti theater of operations, and we took action to counter it," he said.

Whether this was part of a plan to mount a large-scale attack on Saudi Arabia, as British military sources suggested earlier, he said: "We simply don't know. We can't read the high command's or Saddam Hussein's mind."

Brigadier General Pat M. Stevens 4th, a U.S. command spokesman, said Saudi Arabian and Qatari troops backed by U.S. Marines took more than 500 prisoners in retaking the town, which Iraqi forces occupied for about 36 hours.

Prince Khalid ibn Sultan, commander of the Saudi forces, said his troops killed about 30 Iraqis, wounded many others and destroyed 45 armored vehicles.

"They lost 90 percent of their forces," Prince Khalid said.

"With that number of prisoners, they don't have a battalion left and they may have the better part of two battalions not left," said General Stevens. A battalion has up to 800 men.

Iraq has about 500,000 troops and 5,000 tanks in or near Kuwait, according to allied military sources.

A Saudi spokesman said 15 allied soldiers were killed, 32 wounded and four were missing during "house-to-house, tank-to-tank" fighting in Khafji.

Eleven U.S. Marines were killed earlier in fighting west of the town.

The Saudi spokesman said that the Iraqis left behind enough materiel "to equip an entire armored battalion and an infantry battalion."

The commander of U.S. air forces in the Gulf, Lieutenant General Charles Horner, said the Iraqi thrust into Khafji was a "stupid" attempt by the Iraqi president to seize the initiative after two weeks of hammering from allied air strikes.

"That's the stupidest thing he could do," General Horner said. "Now why is he doing that? To me, it occurs one of the answers is that he's desperate, and he sees that he's getting chewed up."

General Kelly said there was no indication that the troop movements in Kuwait were any longer a threat to Saudi Arabia, and some could have been explained by Iraqi units withdrawing after the incur-

See WAR, Page 4

Key Questions Go Largely Unanswered

By Edward Cody
Washington Post Service

RIYADH — With U.S. and Saudi military officials refusing to discuss in detail what happened at Khafji, the first ground battle of the Gulf war remained clouded in doubt and confusion Friday well after it came to a successful conclusion.

Khafji, an oil town on the Saudi coast 10 kilometers (six miles) from Kuwait, was hardly a rich military target. The U.S. and Saudi commands have said that the town, once home to 20,000 people, was evacuated and undefended at the time of the Iraqi attacks early Wednesday.

But the ability of an Iraqi armored force to speed into the town and remain there for about 36 hours, within easy reach of thousands of U.S. Marines and warplanes, has raised questions about how the war's initial ground combat played out and what it could mean for the future.

Despite briefings by U.S. and Saudi military officers in Riyadh and in Washington and dispatches from escorted pool reporters near the scene, the questions have gone largely unanswered.

These are some of the questions raised by the attacks at Khafji and along the border farther west, and the gaps left by answers from the U.S. and Saudi military commands:

- How were 11 U.S. Marines killed and two wounded Tuesday night along the Saudi-Kuwaiti border south of Wafra?

U.S. military officials have said only that the casualties are being investigated, including an effort to make sure they were not killed by friendly fire. Although 11 is a small number compared to the half-million U.S. servicemen in the region, these have drawn particular attention because they are the first U.S. troops killed in ground combat.

General H. Norman Schwarzkopf, commander of allied forces in the Gulf, said Wednesday that the Marines were killed during a clash in which three U.S. light armored vehicles were destroyed. This has led to assumptions that the Marines burned to death after their vehicles were hit by Iraqi rocket-propelled grenades, anti-tank missiles or artillery fire.

But these are only assumptions; the military has yet to make clear how the deaths occurred despite repeated questions on the subject.

- How could an Iraqi tank battalion move into the Saudi town, even though it is a small one near the border, in the face of U.S. air, sea and land power and Saudi Arabia's own nearby air and ground defenses?

General Schwarzkopf and other U.S. officials have dismissed the Iraqi push as militarily insignificant, saying Khafji was undefended and so the Iraqis could just drive into town.

But the U.S. Central Command, in an official communiqué, announced that two Iraqi armored thrusts on Khafji before dawn Wednesday had been beaten back by "air assets." The command has not explained why, on the third Iraqi thrust toward midday,

See COMBAT, Page 4

Even Arab Foes Laud Hussein's Resolve

By Judith Miller
New York Times Service

RIYADH — Many Arabs, even some here in the Saudi capital, are beginning to consider each day that Saddam Hussein survives as a victory of sorts for him.

Saudis and Arab diplomats said that in Riyadh, where support for the coalition is strong, many Saudis felt a begrudging respect for the Iraqi leader and enormous relief that he was not crushed in the initial days of the allied invasion.

The ambiguity of Arab reaction is rooted in the humiliation of Israel's resounding victory in 1967 over joint Arab forces, led by Gamal Abdel Nasser of Egypt.

In six days, Israel's military obliterated the Arabs, with few Egyptian fighter planes ever getting off the ground. The profound sense of shame over this is found, to a greater or lesser extent, among a large majority of Arabs, even those with deep ties to the West.

"In all of our wars," a Saudi professional said, "the Arabs were stopped, or ultimately spared by superpower intervention. But Mr.

NEWS ANALYSIS

Hussein is steadfast against the world's only superpower and the 28 countries fighting alongside it."

It may well make sense to interpret the flight of Iraq's most modern fighter planes to Iran in this context.

While American and other Western military analysts speculated about what initially seemed a large-scale Iraqi defection, several Saudi military officers quietly argued that the pilots had flown to Iran to prevent the allies from destroying the planes on the ground, as Israel had done nearly 24 years ago.

Apart from the relief expressed that an Arab leader has avoided humiliation at the hands of the West, there is a deep conviction in Riyadh, Cairo and Damascus that Iraq must not be destroyed or dismembered in an effort to free Kuwait.

Baghdad is seen as a bulwark against the reassertion of Iranian influence in the region, something feared by Saudi Arabia and other countries that have Sunni Muslim majorities.

Animosity between Iranian Shiite Muslims and the Sunni Muslim world increased dur-

See ARABS, Page 4

Kiosk

Bush Seeks More 'Star Wars' Funds

WASHINGTON (AP) — President George Bush is proposing a military budget of $295 billion for fiscal 1992 that includes $4.6 billion for the Strategic Defense Initiative and money for four B-2 Stealth bombers, congressional officials said Friday.

The request for "Star Wars" funds would, if approved, be $1.7 billion more than the $2.9 billion Congress and the administration agreed to last year. Approval for four B-2s would double the number Congress financed last year. The overall Pentagon budget would be a decrease of almost $4 billion from last year's budget. The budget does not include any of the costs of the Gulf war. The Congressional Budget Office has estimates of the cost to the United States that range as high as $86 billion.

General News

Mikhail S. Gorbachev set up Kremlin delegations for talks with Baltic leaders. Page 2.

Money Report

Airline stocks, political risks assessed. Pages 14-15.

Business / Finance

Rupert Murdoch's News Corp. was rescued by bankers, who agreed to reschedule $7.6 billion in debt. Page 9.

Crossword Page 4. *Weather* Page 2.

Gold NY SPOT	Oil W. TEXAS NYME	The Dollar In New York		Dow Close
	$21.33	DM	1.4682	2,730.69
Up	Down	Pound	1.975	Down
$0.20	$0.21	Yen	131.60	5.70
$365.65		FF	4.996	

Richard Ellis/Reuters
Saudi Arabian soldiers en route to the Kuwaiti border Friday flashing the victory sign from atop an armored personnel carrier.

Debriefing: Day 16

Sorties

- More than 2,500 allied sorties flown Friday, for a total of more than 35,000 in 16 days of war.
- No Iraqi Scud missiles reported fired Friday at Israel or Saudi Arabia. 27 were fired earlier at Saudi Arabia and 27 at Israeli-controlled territory.

Losses

- 16 more allied soldiers reported Friday to be missing in action, raising totals to 23 Americans, 8 British, and 1 Italian.
- 30 Iraqis killed and 33 wounded in border fighting at Khafji, according to reports Friday.
- More than 400 Iraqis were taken prisoner in the border fighting. Previously, 291 Iraqi POWs were reported.
- 1 U.S. plane confirmed lost Friday. 26 allied planes lost earlier, including 17 U.S., 6 British, 1 Kuwaiti, 1 Italian, and 1 Saudi.
- No Iraqi planes reported destroyed Friday; earlier toll was 53, including 27 in air-to-air combat and 26 on the ground. By Friday, up to 98 Iraqi aircraft had been flown to haven in Iran.
- 41 Iraqi naval ships sunk or disabled. No new reports Friday.

Iraqi Claims

- 20 "air targets" reported downed Friday. Earlier total was 263 planes and missiles. Iraq now refers to action against "air targets" without further detail.
- 90 Iraqi soldiers killed; 320 Iraqi civilians killed, 400 injured.

Terrorism

- U.S. has cited 70 acts of terrorism worldwide against allies since war began, including planned actions thwarted by security forces.

Assessment

"We watch it very carefully and we have superb resources to track what the enemy is up to. He may be moving simply to escape the punishment he is suffering from our air attacks." — Brigadier General Pat M. Stevens 4th.

Gorbachev Appears To Give Concessions On the Baltic States

By Francis X. Clines
New York Times Service

MOSCOW — President Mikhail S. Gorbachev eased his hard-line pressure on the Baltics' independence drive Friday and appointed Kremlin delegations to begin a "discussion of issues" with the embattled republics.

The Soviet leader's reversal toward a more conciliatory approach followed worldwide criticism of his handling of the Baltic crisis in which a score of civilians have died in recent weeks at the hands of Soviet soldiers.

The Kremlin announcement carried no specific promise of detailed independence negotiations long sought by Baltic separatists.

Rather, Mr. Gorbachev's decree, which was later significantly qualified by the president's aides, seemed designed mainly as the sort of signal of a "move away from violence" that President George Bush said he expected after expressions of concern to the Soviet leadership.

The initial reaction from the Baltics was wary at best, with President Vytautas Landsbergis of Lithuania objecting in particular to the fact that Moscow continued to object to the breakaway republic's laws of sovereignty and to refer to the "Lithuanian Socialist Republic," almost 11 months after the democratically elected parliament proclaimed independence.

"It is not a sign of good will," Mr. Landsbergis said in Vilnius, the capital, concluding that the wording of the presidential decree "signifies that Lithuania must first capitulate" for discussions to proceed.

But Mr. Landsbergis, speaking from his barricaded parliament building, added, "It seems some talks and discussions will take place and maybe there will be some better prospects."

Prime Minister Edgar Savisaar of Estonia also reacted with doubt that the new discussion commissions could achieve any breakthrough. He said individuals and pro-Moscow organizations "which were earlier forced to retreat are now trying to get their revenge," according to a report on the the independent news service Baltfax.

Speaking for the Kremlin, Rafik N. Nishanov, chairman of the Council of Nationalities, a chamber of parliament, stressed that while the promised discussions were under way it would be "necessary to freeze anti-constitutional" laws enacted by the republics "and not to enact new such decisions during this period so as not to aggravate the situation."

Mr. Gorbachev had no personal comment on the creation of the separate Kremlin commissions authorized to travel to the three republics — Lithuania, Estonia and Latvia — that the Soviet Union forcibly annexed in 1940.

The commissions include political and military officials empowered by Mr. Gorbachev "to discuss a package of political, social and economic issues," according to the announcement by Tass, the Soviet press agency, which emphasized that a "discussion of issues" is something less than full negotiations.

Even so, the presidential decree promises to move the simmering Baltic crisis back toward the quieter discussion stage that had fitfully existed before the Gorbachev government, in facing hard-line pressures from the military and police, resorted last month to direct military force in Lithuania.

To the alarm of Soviet reformers, the first of the newly decreed mixed patrols of army and police were deployed in major Russian cities Friday.

Initial reports indicated that the patrols met with no resistance, but the situation was different in the more rebellious republics, where the use of the army for policing duties has been denounced by independence-minded republican leaders.

The evening news program "Vremya," which has increasingly become a mouthpiece for Mr. Gorbachev, reported that soldiers did go out on the streets of the Lithuanian capital, Vilnius, already Thursday night without incident.

But the camera showed three soldiers patrolling alone, and the announcer noted that Lithuanian policemen had refused to join them.

The republican governments of Armenia, Georgia, Moldavia and Estonia also rejected the joint patrols, but reports from those republics indicated that no patrols were mounted.

■ 2 Liberals Sanctioned

The recent turn toward conservatism was evident Friday when the Soviet Communist Party said it had dropped a radical member from its leadership and indicated it would expel a former Kremlin aide after both had outspokenly criticized Mr. Gorbachev, Reuters reported from Moscow.

The Central Committee, in a decision published in the party daily Pravda, said that Alexander Gelman, a playwright, had "lost links with the party" and had been dropped from its ranks.

It also censured Stanislav S. Shatalin, once the president's main economic adviser. Mr. Shatalin told Mr. Gorbachev last month that he was capitulating to military and Communist hard-liners and doing nothing to stave off economic disaster.

The Central Committee, which met Thursday, said the views expressed by Mr. Shatalin, a scholar who was a member of Mr. Gorbachev's now dissolved Presidential Council, were incompatible with membership of the party.

Frederique Lemaigne/Reuters

A Soviet Army officer, second from left, conferring with a police official, second from right, in Moscow as mixed patrols of army and police got underway in major Soviet cities for the first time.

Alter Export Laws, U.S. Told

By John Markoff
New York Times Service

NEW YORK — A National Academy of Sciences panel has called for drastically simpler export controls but said the United States must not halt its efforts to keep high-technology equipment from the Soviet military.

In a study requested by Congress in 1988 and made public Thursday, the agency called for changes in the administration of export controls, creation of a policy-making group on export control issues and efforts to limit the spread of missile technologies and chemical, biological and nuclear weapons.

The report reflects a deepening international concern with the spread of weapons that has been reinforced by the war in the Gulf.

"The mood has shifted, and the report reflects that shift," said Paul Freedenberg, a former undersecretary of commerce for export administration and now a trade consultant for a Washington law firm.

After members of Congress study the report, its recommendations will be passed on to the White House.

In the last year, some American industry executives have called for a dismantling of the Coordinating Committee for Multilateral Export Controls, an allied organization established after World War II to control trade with the Soviet Union and the Eastern bloc.

But the report's authors said the West's strategy should be to continue to limit high technology from reaching military users while trying to permit commercial uses.

"There are questions about where the Soviet Union is going that weren't on people's minds a couple of months ago," said Roland W. Schmitt, chairman of the panel and president of Rensselaer Polytechnic Institute in Troy, New York. "We were aware that changes there would be dramatic and would continue to be dramatic. Our objective was to create a framework that would work regardless of the world situation."

The report calls on President George Bush to issue a national security directive to create an organization called the Export Control Policy Coordinating Committee, which would formulate policy and resolve disputes between agencies.

Such a step would centralize export policy, now carried out by a variety of interagency working groups.

The report also proposes that the government create a "one-stop shopping" mechanism to smooth the licensing process for American companies. Currently, there is a complicated referral process that shifts export licenses to different government agencies for approval.

U.S. to Curtail Nuclear Arms Output

By Keith Schneider
New York Times Service

WASHINGTON — The Department of Energy has decided to curtail plans for new nuclear weapons plants, close a nuclear reactor in South Carolina and add money to its environmental programs.

The department evidently intends to shift its emphasis after the turn of the century to recovering and processing nuclear materials from retired warheads and to focus on cleaning up chemical and radioactive poisons caused by decades of weapons production. The department of energy is responsible for overseeing nuclear weapons production.

Details of the plans are in the department's budget request for the 1992 fiscal year and in a report due next week.

Budget officers, Energy Department officials and congressional experts who have seen the documents say that James D. Watkins, the secretary of energy, is expected to announce next week that the Energy Department will build one instead of two new nuclear reactor plants to produce tritium, a radioactive isotope of hydrogen that increases the power of nuclear explosions. Officials said the Bush administration had approved the actions.

Before Mr. Watkins made the decision, the Energy Department planned to build one new reactor plant in South Carolina and another in Idaho at a cost estimated at more than $7 billion.

Congressional investigators who have spoken with department officials said the decision to build only one plant was made after the agency's scientists concluded that the number of American nuclear warheads in the 21st century would be 30 percent to 85 percent fewer than the current arsenal of about 20,000 warheads.

The Energy Department has also decided to close the P Reactor at the Savannah River plant in South Carolina. The 36-year-old reactor has been shut since the spring of 1988 because of serious operational problems and deficient equipment. Two other reactors at the Savannah river site have been retired.

The department is asking for immediate additional funds for environmental programs that would raise the agency's spending for cleaning up chemical and radioactive waste to more than $4 billion in the current fiscal year.

Arms Pacts: Progress on One, Hurdle On the Other

By Don Oberdorfer and R. Jeffrey Smith
Washington Post Service

WASHINGTON — The United States and the Soviet Union made progress this week toward completing the treaty to reduce strategic arms, but they remained at loggerheads on Soviet compliance with the recently signed Conventional Forces in Europe Treaty, according to Bush administration officials.

The Soviets offered a "package deal" to settle most of the outstanding issues in the way of the START treaty, according to Soviet officials, but the United States has not formally responded.

On several issues, the U.S. officials said, Soviet negotiators reconfirmed agreements that had been reached tentatively in December when Secretary of State James A. Baker 3d met the Soviet foreign minister, Eduard A. Shevardnadze, in Houston.

The moves this week followed a temporary Soviet Foreign Ministry suspension of some parts of the deal, apparently under pressure from the General Staff of the Soviet Armed Forces.

After Mr. Shevardnadze's resignation in December, which may have been prompted partly by his disputes with the Soviet military, "they walked back some of what we had agreed to at Houston," a senior U.S. official said. In the past few days, "they walked back partially on the walkback," he added.

The areas where the Soviet Union returned to previously negotiated agreements, according to U.S. sources, were issues concerning perimeter monitoring of missile production and Soviet inspection of the B-1 and stealth bombers. A disagreement about future construction of SS-18 missile silos also was resolved, sources said.

The Soviet negotiators made proposals in two other disputed areas: the definition of permissible "throw-weight" or rocket-lifting power, and limits on the number of warheads permissible on some multiple-warhead missiles.

A U.S. official disputed a Soviet contention that the two sides agreed to put aside a disagreement over coded missile test data.

The two sides also could not agree on what Soviet reductions are required by the treaty limiting conventional arms in Europe, signed by the leaders of the United States, the Soviet Union and 20 other nations in Paris on Nov. 19. To take effect the treaty must be ratified, but the Bush administration has told the Soviets it will not submit the treaty to the Senate until the current disputes are resolved.

■ Risk of Failure

Richard R. Burt, the head of the U.S. delegation negotiating a reduction of nuclear weapons with the Soviet Union, said Friday that years of work could be lost if a treaty was not concluded quickly, Reuters reported from Geneva.

"If we fail to agree by the end of February, there is a very real risk that the whole thing could unravel," Mr. Burt said on his return from Washington.

WORLD BRIEFS

Party Urging Palestinians' Expulsion Joins Coalition Government in Israel

JERUSALEM (NYT) — The Israeli government signed an agreement Friday allowing the country's most extreme rightist political party, Moledet, to join its governing coalition. The party advocates expelling all Palestinians from the West Bank and Gaza Strip.

The accord was unexpectedly signed just before the Jewish Sabbath, and while both Israeli and world attention was focused on the war in the Gulf. The timing was apparently intended to deaden leftist and centrist opposition to the deal, and to mute protest from foreign governments over the party's views.

Moledet's central platform during the election was the idea of "transfer," as expulsion of Arabs is known in Israel. The party maintains that Israel must retain the West Bank and Gaza Strip and that Palestinians living there should be removed to Jordan.

The agreement gives Prime Minister Yitzhak Shamir a governing coalition of 66 parliament seats, five seats more than the minimum required. Paradoxically, while many leftist opposition parties are expected to object that the agreement gives Moledet the ability to influence the government, by joining the coalition and increasing the governing majority, Moledet has actually reduced the ability of the country's small parties to bring the government down.

Army Moves to Detain Croatian Aide

ZAGREB, Yugoslávia (AP) — The army suggested Friday that it was prepared to send troops to detain the Croatian defense minister in what appeared to be an escalation of the crisis between the federal military and the secessionist Yugoslav republic.

A statement issued by a military investigative judge in Zagreb said that "competent organs for criminal prosecution of the Yugoslav armed forces" were "undertaking steps" to take Defense Minister Martin Spegelj into custody.

The statement, carried by the Tanjug press agency, did not provide any details. A Zagreb military prosecutor ordered Croatian police on Wednesday to detain the defense minister, accusing him of planning attacks on army personnel. But the Croatian leadership refused to order its police to comply. On Thursday, Croatia's leaders and those of nonCommunist Slovenia walked out of crucial talks with senior Yugoslav officials that had been called in an effort to ease the political crisis.

Soviet Units Leaving Czechoslovakia

PRAGUE (AP) — Nearly three-quarters of the Soviet troops that had been based in Czechoslovakia have been withdrawn, the state CTK news agency reported Friday.

"According to available information, some 25.9 percent of the 73,500 Soviet troops still remain on Czechoslovak territory," the agency said.

The last Soviet combat units are expected to leave the country by the end of this month and the withdrawal of all other units is due to be completed by the end of June, under an agreement concluded a year ago.

Poland to Widen Privatization Effort

WARSAW (Reuters) — Poland plans to widen share ownership and speed the privatization process by issuing free share vouchers to its citizens in the second half of this year, the country's new privatization minister said on Friday.

Janusz Lewandowski said the government aimed to privatize half of Polish industry within three years, but added that this could not be done by "conventional methods."

The program, which is aimed at overcoming a chronic shortage in investment capital, would give all Poles a free stake in privatized firms. Economists believe Polish savings alone would otherwise accommodate only 1.5 percent of the country's industrial assets.

Strong Earthquake Hits Central Asia

ISLAMABAD, Pakistan (Combined Dispatches) — A strong earthquake jolted northwest Pakistan, Afghanistan and parts of Soviet Central Asia early Friday, leaving more than 200 people dead and hundreds injured.

Officials said the death toll would probably rise substantially because information was still awaited from remote mountainous areas, some of which were snowbound.

The quake, which measured 6.8 on the Richter scale, caused widespread damage. TASS reported in Moscow that a tremor also shook Soviet Tadzhikistan early Friday. Hundreds of people were admitted to hospitals, many in serious condition. Rescue teams had dug more than 150 bodies from the collapsed ruins of mud and stone dwellings in the worst-hit areas near the Afghan border, officials said. *(AFP, Reuters)*

TRAVEL UPDATE

Rome Lacks Tourists, and Romans

ROME (Reuters) — The Gulf war, combined with the off-season, has virtually emptied Rome of tourists. And Romans, fearing a terrorist attack in reprisal for Italy's role in the anti-Iraq alliance, are not taking advantage of the emptiness.

Throughout the city, restaurants, shops, cinemas and discotheques are reporting one of their worst seasons. Hotel occupancy rates are off by as much as 50 percent. The Italian travel agents' federation has approached the government for help, saying large-scale layoffs are inevitable if the drop in bookings continues. Car rental firms report business is off by 80 percent.

In Venice, where fears of a terrorist attack led the town council to cancel this year's carnival, the first thing travelers see on landing at the airport is a machine-gun post protected by sandbags.

European airlines passenger traffic in Europe fell steeply in the week after the outbreak of the Gulf war, the Association of European Airlines reported Friday. Traffic dropped 25 percent in the fourth week of January from the year before after falling about 10 percent in the third week when the war began. The group's passenger load factor dropped to 35 percent in Europe in the fourth week compared with more than 50 percent a year earlier. North American traffic plunged in the fourth week in January after growing slightly in the first three weeks. *(Reuters)*

The Jordanian national carrier, Alia, said Friday it would resume flights to Oman on Sunday, the Petra press agency reported. *(AFP)*

A road tunnel linking Spain and France was approved Friday by Spanish cabinet as it authorized the signing of an agreement with France on the 8.5-kilometer (5.2-mile) project. Construction will begin next summer in the Somport mountain pass in the northern Aragon region of Spain. The tunnel is to be completed in 1995. *(AP)*

A burst water main in Budapest flooded an underground rail tunnel and streets in Budapest on Friday, disrupting transport and causing traffic chaos. Pedestrian subways filled with water but there were no reports of injuries. The MTI news agency said the rail line, which crosses Budapest from east to west, would not be reopened before Saturday. *(Reuters)*

AMERICAN TOPICS

The President's Men, Save One, at Speeches

In one of Washington's less-known traditions, one member of the cabinet is always absent when the president delivers his annual State of the Union Message or other speeches to joint sessions of Congress, The Washington Post reports. Should some catastrophe kill the president and all 16 other officials in the line of succession, one cabinet member stays away to make sure there will be a president.

When President George Bush gave his State of the Union address on Tuesday, Interior Secretary Manuel Lujan, eighth in line of succession, went with bodyguards to an undisclosed location, where he watched the speech on television.

Last year, Veterans Affairs Secretary Edward J. Derwinski was, in his own words, "the designated nonattendee." He, too, watched the speech on television, in the basement of a suburban Washington pizza parlor with a few White House staff members and Secret Service men.

Nobody is sure how old this tradition is. Raymond W. Smock, the House of Representatives historian, says it could go no further back than Woodrow Wilson (1913-1921), who resumed the practice of delivering the State of the Union address in person. Thomas Jefferson, the third president (1801-1808), had regarded a personal appearance as "too imperial."

T. H. Bell, education secretary in the Reagan administration, recalls that when he was tapped, he told his wife: "I got sent home. But don't worry. Before this is over I might be president of the United States."

Short Takes

The Earth barely missed a direct hit from an asteroid, according to David Rabinowitz, the University of Arizona astronomer who discovered it. He said that on Jan. 18 it came within 100,000 miles (160,000 kilometers) of Earth, the closest approach in modern times. Moving at 12 miles a second, with a maximum diameter of 33 feet (10 meters), it theoretically could have struck the Earth with the explosive equivalent of 75 kilotons of TNT, or more than five times the force of the atomic bomb that hit Hiroshima. However, Mr. Rabinowitz said, much or all of the asteroid might have burned up in the atmosphere, depending on its angle of descent.

The decline of the traditional family, two parents with children, continued in the United Stats in the 1980s but at a slower pace than in the 1970s, according to the federal Census Bureau. In 1970, 40 percent of households were made up of a married couple and one or more children under age 18. This dropped to 31 percent in 1980 and 26 percent in 1990.

As the new three-dimensional technology, called Virtual Reality, or VR, develops, some foresee the day when the user will be able to dance with Fred Astaire or take a trip to Mars, according to the magazine U.S. News & World Report. Jaron Lanier, a VR pioneer, would prefer to enhance everyday experiences, like dancing with a real person, but amplified so that both partners are faster, more nimble, more graceful. The pros and cons are already coming in. "Virtual realities do what people want them to do," says Thomas Furness of the University of Washington, "and that is not the way the real world works." But Mr. Lanier says: "Virtual reality is more like the telephone than TV. Watch people on the phone, and they're animated and engaged. In front of the TV, they're passive and dull."

No chemicals are used in cigarettes manufactured by Santa Fe Natural Tobacco, the company says, and its chemical-free American Spirit brand is "a cigarette for the '90s." The federal Office on Smoking and Health is unimpressed, saying that smoking a supposedly "clean" cigarette "would be like jumping from the 20th floor of a building instead of the 22d."

Arthur Higbee

Mario Valentino, Leather Designer, Dies

New York Times Service

Mario Valentino, 64, the Italian fashion designer and manufacturer widely known for fine workmanship in leather, died of emphysema Thursday in Naples.

Mr. Valentino, who was born in Naples, presided over a family business, Mario Valentino International, which has acquired the dimensions of a multinational enterprise, with a dozen stores in Italy as well as shops from Paris to Hong Kong and Singapore. He was not related to Valentino, the dress designer.

A veteran in shoe design, Mr. Valentino began producing leather trousers and jackets in 1968. Within a few years his all-leather clothes collections received international attention.

In more recent collections, his strapless and off-the-shoulder black leather dresses moved into the cocktail lounge. He employed a range of innovative techniques, pleating the leather like silk, slashing it into strips, weaving it into basket patterns and creating abstract designs with inlay work.

Denys Sutton, 73, Art Critic and Editor

New York Times Service

Denys Sutton, 73, an art critic, historian and editor who was a brisk and contentious figure on the international art scene for more than 40 years, died of melanoma Wednesday in London.

As editor of Apollo magazine from 1962 to 1987, Mr. Sutton kept his readers in touch with both the museum world and independent scholarship.

His specialty was the in-depth survey of a single museum, with the help of up to a dozen articles by specialists and a long introduction by himself. He also organized a wide range of exhibitions, from "Pierre Bonnard" and "France in the 18th Century" at the Royal Academy in London in the 1960s to "Fragonard," "Boucher," "Constable," "Whistler," "Sargent" and "French Art" in Tokyo and Yokohama in the 1980s. He was also responsible for exhibitions at the Wildenstein galleries in both London and New York.

Eleanor McMillen Brown, American Interior Designer

NEW YORK (NYT) — Eleanor Stockstrom McMillen Brown, 100, a leading interior designer and founder of McMillen Inc. one of the best-known American design concerns, died Wednesday in New York City.

Mrs. Brown went to both business and secretarial school after having studied design for three years at the Parsons School in New York and Paris. "I thought if I was going to do it at all, I'd better do it professionally," she once said. "That's why it's McMillen Inc. and not Eleanor McMillen. I wasn't one of the 'ladies.'"

■ *Other deaths:*

John McIntire, 83, a spare, laconic character actor who played more than a thousand roles on radio and television and in more than 100 movies, Wednesday in Pasadena, California, of emphysema and cancer. He was a no-nonsense police chief in "The Asphalt Jungle" in 1950, a meek sharecropper in "A Lion Is in the Streets" in 1953 and a stunned sheriff in "Psycho" in 1960. He appeared on the "Wagon Train" series on television from 1961 to 1965.

John Graham, 82, the architect who designed the Space Needle for the 1962 World's Fair in Seattle among other projects, of heart disease Tuesday in Seattle.

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Amsterdam	1	34	-3	27	sw
Athens	7	45	1	34	cl
Barcelona	10	50	5	41	cl
Belgrade	-4	25	-15	5	fr
Berlin	-2	28	-10	14	fr
Brussels	-3	27	-2	28	o
Budapest	-1	30	-14	7	fr
Copenhagen	0	32	-3	27	fr
Costa Del Sol	16	61	7	45	r
Dublin	5	41	2	36	cl
Edinburgh	1	34	1	34	o
Faro	16	61	12	54	o
Florence	8	46	2	36	fr
Frankfurt	2	36	-9	16	fr
Geneva	-1	30	-1	30	fr
Helsinki	0	32	-4	25	fr
Las Palmas	21	70	14	57	o
Lisbon	12	54	9	48	r
London	3	37	1	34	r
Luxembourg	-2	28	-6	21	fr
Madrid	9	48	-6	21	r
Milan	1	34	-1	30	fr
Moscow	-21	-6	-28	-18	fr
Munich	-2	28	-14	7	fr
Nice	11	52	4	39	cl
Oslo	1	34	-9	16	fr
Paris	4	39	0	32	cl
Prague	-3	27	-14	7	fr
Reykjavik	-5	23	-2	28	fr
Rome	11	52	8	32	cl
Stockholm	0	32	-3	27	sw
Strasbourg	3	37	-3	27	o
Venice	4	39	-4	25	fr
Vienna	-3	27	-12	10	fr
Warsaw	-11	12	-20	-4	fr
Zurich	-3	27	-5	23	o
MIDDLE EAST					
Cairo	18	64	8	46	cl
Istanbul	0	32	-4	25	sw
Moscow	—	—	—	—	na
Riyadh	—	—	—	—	na
Tel Aviv	—	—	—	—	na
OCEANIA					
Auckland	—	—	—	—	na
Sydney	26	82	20	68	fr

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	33	91	26	79	fr
Beijing	6	43	-4	25	fr
Hong Kong	18	64	15	59	cl
Manila	30	86	21	70	cl
New Delhi	27	81	19	64	fr
Seoul	1	34	-8	18	fr
Shanghai	7	45	-2	28	fr
Singapore	31	88	24	75	sh
Taipei	18	64	10	50	r
Tokyo	11	52	-5	23	fr
AFRICA					
Algiers	11	52	6	43	o
Cape Town	21	70	16	61	fr
Casablanca	16	61	6	43	fr
Harare	24	75	14	57	fr
Lagos	31	88	27	81	fr
Nairobi	28	82	16	61	fr
Tunis	14	57	5	41	fr
LATIN AMERICA					
Buenos Aires	—	—	—	—	na
Lima	—	—	—	—	na
Mexico City	28	86	6	43	cl
Rio de Janeiro	31	88	26	79	cl
NORTH AMERICA					
Anchorage	-12	10	-14	7	cl
Atlanta	14	57	2	36	fr
Boston	-3	27	-8	18	fr
Chicago	1	34	-4	25	fr
Denver	17	63	-4	25	fr
Detroit	-1	30	-7	19	fr
Honolulu	28	82	18	64	fr
Houston	28	86	4	39	fr
Los Angeles	22	72	10	50	fr
Miami	25	77	19	66	fr
Minneapolis	0	32	-4	25	fr
Montreal	-14	7	-16	3	sn
Nassau	27	81	13	55	fr
New York	1	34	-4	25	fr
Phoenix	25	77	4	39	fr
San Francisco	16	61	10	50	pc
Seattle	12	54	8	46	r
Toronto	-5	23	-11	12	fr
Washington	4	39	-3	27	fr

cl-cloudy; fg-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

SATURDAY'S FORECAST — CHANNEL: Slightly rough. FRANKFURT: Overcast. Temp. -5 — 4 (27 — 21). LONDON: Partly cloudy. Temp. 3 — 0 (37 — 32). MADRID: Rain. Temp. 9 — 1 (48 — 34). NEW YORK: Partly cloudy. Temp. 3 — 0 (37 — 32). PARIS: Partly cloudy. Temp. 6 — -3 (32 — 27). ROME: Rain. Temp. 10 — 6 (50 — 32). TEL AVIV: Not available. ZURICH: Overcast. Temp. -2 — -6 (28 — 21). BANGKOK: Rain. Temp. 33 — 21 (91 — 70). HONG KONG: Partly cloudy. Temp. 17 — 12 (63 — 54). MANILA: Cloudy. Temp. 30 — 20 (86 — 68). SEOUL: Fair. Temp. 4 — -5 (39 — 23). SINGAPORE: Fair. Temp. 29 — 24 (84 — 75). TOKYO: Fair. Temp. 10 — 3 (50 — 37).

RELIGIOUS SERVICES

DUSSELDORF
CHRIST CHURCH (Anglican) S.S. and Services 11:00, All Denominations are welcome. Rotterdam Str. 135, Tel. 0211/452759

MUNICH
INTERNATIONAL COMMUNITY CHURCH, Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Enhubenstr. 10. (U2 Theresienstr.), (089) 850-8617.

PARIS and SUBURBS
THE AMERICAN CATHEDRAL (Episcopal-Anglican). Sun. 9 & 11 a.m. Sunday School for children and nursery care at 11 a.m. 23 ave. George V, Paris 8. Tel.: 47 20 17 92. Metro: George V or Alma-Marceau.

MONTE CARLO
INT'L FELLOWSHIP, 9 Rue L. Notari. Sunday Bible Hr. (all ages) 9:45 a.m. Worship 11 a.m. & 6 p.m. Tel.: 93.25.51.51 or 93.25.31.15.

MONTPELLIER
ENGLISH SPEAKING SERVICE organized by Eglise Réformée Evangélique every Sunday 6 p.m., 5 rue Augustine. Tel.: 67 52 82 01. All welcome.

EUROPEAN BAPTIST CONVENTION

WIESBADEN
EUROPEAN BAPTIST CONVENTION CHURCHES WELCOME YOU. 39 English speaking Congregations in 13 European Countries. Member Baptist World Alliance and European Baptist Federation. For information contact European Baptist Convention, Sonnenbergerstr. 60, D-6200 Wiesbaden. Tel.: 06121-523016.

BERLIN
BERLIN BAPTIST CHURCH, Rothenburgstr. 13, 1000 Berlin 41, SS 1045, W 1200 + 1900. Tel.: 030-774-4670.

HAMBURG
INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets at TABEA FESTHALLE, Am Isfeld 19, Hamburg-Osdorf. Bible Study at 11:30 & Worship at 12:30. Tel.: 040/820616.

FRANKFURT
INTERNATIONAL CHRISTIAN FELLOWSHIP of the Taunus (Member European Baptist Convention), Sodenerstr. 11-18, 6380 Bad Homburg. Sundays 9:45. Tel.: 06171-54889 or 06134-23278.

HOLLAND
TRINITY BAPTIST S.S. 9:30, Worship 10:30, nursery, warm fellowship. Meets at Bloemcampplaan 54 in Wassenaar. Tel.: 01751-78024.

MUNICH
INTERNATIONAL BAPTIST CHURCH OF MUNICH, München 83, Schamochering 24. English Language Services, Sunday School 12:00. Worship Service 1:00. Pastor's phone: 690 8534.

PARIS and SUBURB
EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. An evangelical church for the English speaking community located in the western suburbs. S.S. 9:45; Worship 10:45. Children's Church and Nursery. Dr. B.C. Thomas, pastor. Call 47.51.29.63 or 47.49.15.29 for information.

INTERNATIONAL BAPTIST FELLOWSHIP. 6:30 p.m., 123 av. du Maine. M° Gaîté. Near the Tour Montparnasse. The evening service of Emmanuel Baptist Church. Call 47.51.29.63 or 47.49.15.29.

ZURICH
INTERNATIONAL BAPTIST CHURCH of Wädenswil (Zurich), Switzerland, Rosenbergstrasse 4. Worship Services Sunday mornings 11:00. Tel.: 720-2762.

ASSOC. OF INT'L CHURCHES IN EUROPE & MID. EAST

BERLIN
AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9 a.m., Worship 10:30 a.m. Tel.: 030-8132021.

BONN
AMERICAN PROTESTANT CHURCH, Sunday School 9:30 a.m., worship 11 a.m., Kennedy Allee 150. Tel.: 0228 - 37 41 93

BRUSSELS
The American Protestant Church, Worship 10:30 a.m. Kattenberg, 19 (at the Int. School). Tel.: 673.05.81. Bus 95. Tram 94.

COPENHAGEN
INTERNATIONAL CHURCH of Copenhagen, 27 Parvergade. Vartov, near Rådhus. Study 10:15 & Worship 11:30. Jack Husted, Pastor. Tel.: 31 62 47 85.

FRANKFURT
TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (U-Bahn 5), S.S. 9:45, worship 11 a.m. Tel.: (069) 599478.

GENEVA
EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 11:00. Tel.: (022) 20.50.89.

ISTANBUL
UNION CHURCH mtg in the Dutch Chapel of Netherlands consulate on Istiklal Cad. Sun. 9:30 & 11:00. Tel.: (90-1) 144-5212.

LONDON
AMERICAN CHURCH in London at 79 Tottenham Court Road, London W1, SS at 9:45 a.m. & worship at 11 a.m. Goodge street tube. Tel.: (01) 580 2791.

OSLO
American Lutheran Church, Fritznersgt. 15 Worship & Sunday School 10 a.m. Tel.: (02) 44.35.84.

PARIS
AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

STAVANGER
INTERDENOMINATIONAL CHURCH Sunday worship 9:30 a.m. The Helland Church, Storhaugvn. 2. Tel.: (04) 564843.

STOCKHOLM
IMMANUEL CHURCH, Kungsträdg. & Birger Jarl. Friendly Christian fellowship. English, Swedish & Korean. 11:00. Tel.: 46-8 151225 & 309803.

UNITED CHRISTIAN CONGREGATION. Santa Klara Church, Östra Kyrkogata 8, English service 10:00. Tel.: +46-8-723 3029.

WARSAW
WARSAW INTERNATIONAL CHURCH, Protestant English language expatriates, Sundays 11:00 a.m. (Sept.-May), 10 a.m. (June-Aug.) UL. Pielna 14 A. Tel.: 43-29-70.

ZURICH
INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

هكذا من الاصل

مكتوبة من الأصل

WAR IN THE GULF: In Israel, a military assessment says the country is 'more secure today than two weeks ago'

Paris Lets B-52s Use Airspace

Spanish Air Bases Have Role as Well

By Alan Riding
New York Times Service

PARIS — France announced Friday that American B-52s would be allowed to fly over its territory on bombing raids against Iraq and to carry out refueling at a French military base en route from Britain to the war zone.

A government spokesman said that the "temporary authorization" included conditions "related to conventional bombing and civilian populations."

Britain announced Thursday that it had authorized B-52s to launch raids on Iraq from its territory.

In February 1986, both France and Spain refused permission for American aircraft stationed in Britain to fly over their territory on their way to carry out bombing raids against Libya in reprisal for Libyan-backed acts of terrorism in Europe. Since the Iraqi seizure of Kuwait on Aug. 2, however, Spain has provided key logistical support for the American build-up in Saudi Arabia.

Spain has allowed about 6,000 American planes to refuel and collect troops, arms and supplies at air bases at Morón de la Frontera in southern Spain, at Torrejón near Madrid and at Zaragoza in the north. The United States has 76 F-16's permanently stationed at Torrejón under a bilateral agreement.

The official Spanish news agency EFE reported Friday that Spanish Air Force planes had also been ferrying bombs for use against Iraq from Zaragoza to Morón.

As part of its logistical support for its allies, Spain some weeks ago assigned several Hercules C-130s to transport equipment to British troops in the Gulf. Further, American ships have called at the Rota Naval Station on Spain's southern Atlantic coast, and Spain has sent three warships to the Gulf region to help enforce the trade embargo against Iraq. The government has said that its warships would not participate in the hostilities.

Since Spain decided to join the anti-Iraq coalition, the Communist-led United Left coalition and some regional parties have argued against Spanish involvement. Over the last two weeks, large anti-war protests have also been held in Madrid and other cities.

In a poll published Friday in El País, 52 percent of the 800 Spaniards questioned said they believed that Madrid's response to the war had been adequate; 15 percent said Spain should do more, and 26 percent felt the country was too involved.

In addition, 65 percent said they believed that the allied offensive was an unjust war; 29 percent said they believed it was just, and 6 percent gave no view.

The B52s in Spain are based 300 kilometers (190 miles) west of Palomares, the Spanish coastal village where a B-52 dropped four hydrogen bombs on Jan. 17, 1966, after colliding with its refueling plane. No nuclear explosion resulted, but two of the bombs burst on impact and spread radioactive plutonium.

As Israeli Politicians Cry War, Army Says Threat Is Fading

By Joel Brinkley
New York Times Service

JERUSALEM — Although Israeli political leaders continue to offer increasingly hawkish warnings that the nation can wait little longer before attacking Iraq, senior military officials suggested Friday that, in their view, the threat to Israel had seriously diminished.

With every passing day, the Gulf war is working in Israel's favor, Brigadier General Avihu Bin-Nun, commander of the Israeli Air Force, said in an interview published Friday.

"Because of the American activities in the Gulf, Israel can see itself as more secure today than two weeks ago," the general said in a Defense Ministry-sanctioned interview published in the daily Yedioth Aharonoth.

The danger of aerial or missile attack, he added, "is gradually being reduced."

General Bin-Nun and other military leaders said the military was more than ready to act against Iraq. In fact, the general said, "the air force has the means, the ability and a different system from those being used by the Americans" for attacking Iraq's Scud missile launchers. All that is needed, he added, is "a decision from the political echelon to implement the plans."

All week, senior political leaders have offered loud warnings that Israel was itching to get into the war, chafing under the continued U.S. requests for restraint.

Several times through the week, Prime Minister Yitzhak Shamir pointedly repeated remarks indicating that Israel was ready to strike, if only the United States would give permission.

Late in the week, Ze'ev Schiff, the respected military analyst for the daily Ha'aretz, wrote that "there are those" in the government "who say that the moment is approaching that self-restraint is not producing any more political or other profits and that the danger is overtaking any possible profits."

And in a speech to visiting French Jews on Thursday night, Foreign Minister David Levy warned that "there are limits to Israel's restraint."

Israel, he added, could deal Saddam Hussein a blow "he would not even have time to forget."

Several political leaders and military commentators warned this week that Iraq could soon attack Israel with chemical weapons, as the conventional attacks have thus far failed to draw Israel into the war, which is apparently Mr. Hussein's goal.

Mr. Shamir seemed almost to be daring Mr. Hussein to try that when he said a chemical weapons attack would bring an almost certain Israeli response that would "endanger himself and his country in a grave way."

But Friday, the army chief of staff, Lieutenant General Dan Shomron, said: "We estimate that even if Saddam Hussein has chemical warheads, they are very primitive, and the damage will not be that great."

"It's possible," he added, "that part of them will fall off in the air, and others will fall along the way and won't reach us."

In any case, the military has been saying all along, the greater fear has been that Iraq would use its long-range bombers to drop chemical bombs on populated areas. Such an attack would deliver payloads far larger than even a multi-missile barrage.

But even Defense Minister Moshe Arens, who started the week warning that "Iraq has already crossed the red line," said in midweek that all of Iraq's Su-24 bombers had fled to Iran, nearly eliminating the threat of an air attack against Israel.

"These bombers have the ability to fly from Iraqi bases to Israel without any aerial refueling," Mr. Arens said. "Since they have left Iraq and are now in Iran, it means that aspect of the danger has been seriously reduced."

The government has also tightened censorship regulations in the past several days, to insure that Iraq is unable to learn where his missiles have fallen so he can correct the aim. The government revoked the press card Friday of Theodore Stanger, the Newsweek correspondent, because of censorship violations, thus restricting his ability to work.

Earlier in the week the censor's office confirmed that it had begun monitoring the home telephones of foreign correspondents, occasionally interrupting conversations to warn that the discussions had touched on censorable areas.

On Wednesday, Sari Nusseibeh, a leading Palestinian figure, was arrested on charges of passing information on where missiles landed to Iraq. He denied the charge.

■ Israel Admission on Codes

An Israeli military official in Washington has confirmed that Israeli military pilots lack crucial electronic identification codes that would allow their planes to conduct an air raid on Iraqi targets without being accidentally targeted by nearby U.S. and allied warplanes, The Washington Post reported.

Israel "cannot attack" Iraq without first obtaining access to the codes because its pilots might not survive a flight through the crowded air corridors over Iraq, where U.S. and allied planes are conducting more than 1,000 bombing runs each day, according to Admiral Abraham Ben-Shoshan, the Israeli military attaché in Washington.

Under standard military procedures, planes in a war zone that do not transmit appropriate coded electronic signals identifying them as friendly forces are subject to being shot down. The signals are broadcast by "Identification Friend or Foe," or IFF, transmitters carried by virtually all military aircraft.

Admiral Ben-Shoshan would not discuss whether his government had been rebuffed in a bid to obtain the codes from the United States, in effect blocking Israel's entrance into the Gulf war in retaliation for Iraqi missile attacks on Israeli cities.

But he emphasized that many Israeli officials believed their air force "should be prepared in a way that if a political decision is made, we have the right answer" to respond to an Iraqi missile or chemical weapons attack causing many Israeli deaths.

Pentagon officials declined comment on Israeli access to the codes, but one said IFF signals have routinely been changed every half-hour on a prearranged schedule, barring attempts by unauthorized planes to pass unimpeded through the war zone.

Marvin Cheaver The Associated Press

An Israeli soldier checking the pass of a Palestinian on Friday in the occupied Gaza Strip, which has a curfew in place.

German Anti-Gas Supplies Arrive Amid Israeli Protest

The Associated Press

TEL AVIV — German equipment began arriving Friday to help defend Israel against poison gas attacks, and Israeli demonstrators complained bitterly about the role that German companies played in strengthening Iraq.

Israel has welcomed the German assistance, but anti-German feelings caused by memories of the Holocaust have grown with the danger of Iraqi chemical warheads reaching the Jewish state.

A Boeing 707 carrying gas masks and medical equipment, including injections against nerve gas, landed Friday morning at Ben-Gurion International Airport, officials said.

The German government press office in Bonn said that seven transport planes would carry 330 tons of support goods against chemical attacks, including gas masks, protective suits, and 110 tons of medical supplies. The Germans also are sending Fox armored vehicles outfitted with gas-detection equipment.

The German ambassador to Israel, Otto von der Gablentz, met with representatives of about 40 protesters who demonstrated peacefully at the German Embassy in Tel Aviv. "Germany stands squarely behind Israel," he said, repeating the assurance the German government has voiced since Israel came under Iraqi missile attacks.

He also pledged that Germany would prosecute any of its citizens who helped Iraq extend the range of its missiles or supplied poison gas technology in violation of German laws.

Allied Airmen Should Be Treated as Criminals, Iraq Says

By Alan Cowell
New York Times Service

AMMAN, Jordan — Countering Red Cross appeals for the humane treatment of downed U.S. and allied pilots, Iraq said Friday that the airmen should be treated as killers and war criminals because of purported attacks on women and children.

In broadcasts on Baghdad radio, Iraq also renewed appeals to Arabs around the world to "stab" the Arabs' foes and show them only "the glint of your knife."

The president of the International Committee of the Red Cross, Cornelio Sommaruga, urged Friday that war prisoners be treated according to international law.

Red Cross personnel in Baghdad have not been allowed access to captured allied pilots. The United States and its allies have acknowledged losing 25 planes in the Gulf war. Nine allied pilots have been shown on Iraqi television, apparently in contravention of the 1949 Geneva Convention on the Treatment of Prisoners of War.

"To show respect for the victims and treat them humanely in the spirit of the Geneva Conventions," Mr. Sommaruga said in Geneva, "is to recognize a heritage common to all mankind and thus pave the way for reconciliation."

[The Pentagon said it "would fully expect the government of Iraq to treat their prisoners of war as we are treating Iraqi prisoners of war: that is, in full compliance with the Geneva Conventions."

["It is abhorrent that United States prisoners of war would be treated in any other way," the Pentagon spokesman, Pete Williams, said in Washington.]

A commentary on Baghdad radio, however, declared, "The crimes of U.S., British, French and Italian pilots should be viewed as war crimes."

"Some of these pilots were not satisfied with firing the missiles of their aircraft on residential districts," the radio said. "In a display of rancor and hatred, they went further to use their aircraft machine guns to kill pedestrians in streets and alleys."

"In other words," the commentary said, "they should be dealt with on the basis of their being killers of defenseless women, children and old people, not as soldiers waging a war against other soldiers."

Iraq's treatment of the allied airmen has raised protests in the United States and elsewhere in the West, and Baghdad suspended its practice of parading bruised and scarred pilots before its television cameras.

But Iraq says it has dispersed the allied airmen to economic, scientific and other installations, where, according to Baghdad radio, one of them has been killed and several others wounded in allied bombing and missile attacks.

The radio also urged Arabs to "stab the nation's enemies in any way you can," adding: "Do not let them rest. Do not let them see anything except the glint of your knife."

It said Iraq was "standing like a lofty mountain, unshaken and fearless" in its confrontation with the allies, but appealed to fellow Arabs to help it in the war against "evil forces."

"All you have to *do* is take the first step," the broadcast said. Such incitements to attack Westerners and their institutions are frequent on Baghdad radio.

In its latest communiqué, which made no reference to ground fighting on the Saudi-Kuwaiti border, the Iraqi military said the allies launched 77 raids overnight and lost three aircraft.

Bush Pledge: No Land War If Unneeded

Compiled by Our Staff From Dispatches

FORT STEWART, Georgia — President George Bush said Friday that allied ground forces would try to drive Iraqi forces out of Kuwait only "if necessary" and when the allies decided the time was right.

"I know you are all wondering if and when a ground war might begin," Mr. Bush said at this U.S. Army post, one of several he visited Friday to bolster morale among families of troops deployed to the Gulf.

"Let me tell you now it will only begin if necessary and when we decide that the time is right," he said. "We will conduct this conflict on our terms, on our timetable, not on Saddam Hussein's timetable."

The president thus sidestepped the question of whether air power alone might force the Iraqis out of Kuwait or whether a land invasion would be necessary and, if so, when.

It is widely assumed, though never officially confirmed by allied authorities, that the coalition high command is working on the assumption that an invasion will be necessary and that the current aerial blitz is a prelude to such an effort.

In emphasizing that the timetable would be set by the allies and not by Mr. Hussein, Iraq's president and military leader, Mr. Bush appeared to be rebutting speculation that recent Iraqi tank forays into Saudi Arabia were designed to goad the allies into beginning a land war.

The president was on a one-day swing through U.S. military bases that have sent troops to Operation Desert Storm.

In his first speech, at Cherry Point Marine Air Station in North Carolina, before a crowd of thousands, many of them wives of U.S. Marines deployed to the Gulf, Mr. Bush said the effort to expel Iraqi troops from Kuwait was on schedule.

"We are on course, we are on schedule and things go well," he said. "Day by day, night by night, Iraq's ability to wage war is being systematically destroyed."

"Our investment, our training and our planning are paying off," he said. "Achieving our goals will require sacrifice and time, but we will prevail, make no mistake about that."

On subsequent stops, Mr. Bush addressed a similar crowd at Seymour Johnson Air Force Base, North Carolina, and then at Fort Stewart, Georgia.

Mr. Bush met with families of four airmen, two of whom are listed as Iraqi prisoners and two as missing in action. The White House made public no details and did not identify the families. *(Reuters, AP)*

Life in Baghdad: Not Much, Basically

Compiled by Our Staff From Dispatches

BAGHDAD — Every day has become a battle for life's most basic necessities.

There is no electric power in Baghdad. There is little water.

"The most simple *things*, all the things one took for granted no longer exist," a Baghdad resident said Friday. "Even shaving in the morning is almost impossible. Where do you get the water?"

Gasoline sales have resumed, but there is so little that some motorists spend the night in front of filling stations, wrapped in blankets against the bitter cold, to gain an early place in line.

By the time the stations open at 8 A.M., up to 400 cars are waiting their turn to buy the newly introduced ration of 30 liters (8 gallons) for 15 days.

"Old habits die hard," another resident said. "I still automatically flip the light switch when I get home. Nothing happens of course. I still turn the tap and expect water. Nothing."

Iraqi authorities introduced a system this week that provides for the two halves of the capital, on either side of the Tigris River, to take turns in getting water for three days.

But few people have containers to store enough water to last through the three days their supply is shut off.

After the opening attack of the war, massive air strikes on Baghdad and targets throughout the country on Jan. 17, a few local telephones still functioned and some of the capital's citizens could exchange views.

Wave after wave of strikes have ended all that. Now not even ministries can communicate with each other.

"Bush said he had no dispute with the Iraqi people," a resident said. "It certainly looks different from Baghdad."

Several people were killed or wounded Friday in an hourlong barrage during which at least six cruise missiles jolted the capital, Iraqi officials said. They refused to disclose exact figures.

A missile hit the Karada Sharqiya district at 11 A.M. It leveled the home of a merchant, Razzak Salman, starting a fire.

By the time reporters arrived, civil defense teams had taken away most of the casualties.

The last four victims were being put into ambulances to be taken to Baghdad Hospital.

Mr. Razzak screamed hysterically. Carrying an apparently unharmed infant, he cried: "It was so powerful that my entire house is gone! Collapsed!"

In the nearby Masbah district, several houses were destroyed by another cruise missile. It crashed less than 1,500 feet from the U.S. Embassy compound.

A woman who said her two brothers were injured in the explosion shouted at Western reporters who tried to interview her.

"Is this Western justice?" Suha Turehi asked, pointing to the debris of her single-story house. "Is this Western civilization? You are treating us like red Indians."

The missile apparently caused no damage to the embassy. The last group of American diplomats left Iraq on Jan. 12, five days before the beginning of the U.S.-led offensive against Iraq.

Western reporters also visited what Iraqi officials said was an infant formula factory. Earlier in the war, a missile reduced it to a tangle of twisted steel girders and flattened walls.

According to U.S. officials, the plant in Abu Ghreib, 16 kilometers (10 miles) west of the capital, was a disguised factory for biological weapons. Inside the building, however, milk powder, containers, signs such as as "pasteurizing line" and stationery appeared to indicate the plant was what the Iraqis said it was.

The plant manager, Adel Sarsam, said the factory had been the only one in Iraq to produce powdered instant formula.

(Reuters, AP)

'Bush said he had no dispute with the Iraqi people. It certainly looks different from Baghdad.'

A resident

The Analysts' View: Day 16

Four strategists pick the major development in the last 24 hours of the war.

Robert E. Hunter | François Heisbourg | Ze'ev Schiff | Abdul-Karim Abou-Nasr

ROBERT E. HUNTER
Vice president of the Center for Strategic and International Studies in Washington.

Because Saddam Hussein is the last Middle East "bully on the block," squabbling in the Western alliance over burden-sharing is likely to be unique. Bonn's pledge of an added $5.5 billion should reduce "German-bashing." But it has a point: Germany pays to consolidate Western strategic gains in Europe, while the U.S. lags far behind. The two countries should set up a swap: German money to America for the Gulf, and equal U.S. funds to aid Central and Eastern Europe. No added cost, but two political benefits.

FRANÇOIS HEISBOURG
Director of the International Institute for Strategic Studies in London.

By continuing to attempt large-scale cross-border operations, Saddam Hussein is providing the coalition's tactical air forces with their greatest opportunity yet: the A-10 Warthogs, the French-British Jaguars and the coalition's anti-tank helicopters can really show what they're capable of. Although it is too early to conclude that the Iraqis are shooting their bolts, they certainly are making the coalition's subsequent ground operations a lot easier.

ZE'EV SCHIFF
Military editor of the Tel Aviv daily Ha'aretz.

The war is providing us with ironic situations that were hardly imaginable before. Saudi planes are participating in the campaign against the Iraqi missiles launchers firing on Israel from the H2 and H3 airfields. Syria, and of course, Egypt, have recognized Israel's right to defend itself against the attacks of an Arab state. Only Israel's two natural partners to a peace settlement — Jordan and the PLO — are in Saddam Hussein's camp.

ABDUL-KARIM ABOU-NASR
Editor and political commentator with leading Arab publications since 1965; now working with a Kuwaiti daily, Al Qabas.

Both sides, in fact, are trying to delay — perhaps in hopes that it can be avoided altogether — a ground war in Kuwait as a cataclysmic end to the conflict. Iraqi incursions into Saudi Arabia could show enough fighting spirit and inflict enough casualties to open a debate in the United States about whether a ground assault is really necessary and unavoidable. The allies, continuing to wreck Baghdad's military machine from the air, may open new fronts in Iraq itself.

U.S. Accuses Iraq Of Abuses in Kuwait

By John M. Goshko and Al Kamen
Washington Post Service

WASHINGTON — The State Department accused Iraq on Friday of murdering, torturing and committing other human-rights abuses in occupied Kuwait. But it also found major shortcomings in the rights records of America's three principal Arab allies, and it criticized Israel's handling of Palestinian unrest in the West Bank and Gaza Strip.

The findings, which were contained in the department's annual report on human-rights records around the world, pointed to a near-universal pattern of abuses in the Middle East, ranging from use of terror tactics in Iraq and Syria to suppression of political freedoms in the other Arab countries.

According to the report, while democracy and personal liberties flourish in Israel, Palestinians in the occupied territories frequently are subjected to harsh and demeaning treatment under the Israeli military's campaign against the Palestinian uprising.

The department specified that improvements made during the first nine months of 1990 gave way to an upsurge of violence resulting from the tensions of the Gulf crisis.

The annual report, which covers 168 countries, is mandated by Congress and influences the distribution of U.S. foreign aid.

Soviet authorities were praised for having allowed a dramatic growth in civil rights by opening the political process, abolishing press consorship, allowing a great degree of religious freedom and permitting independent trade unions to carry out strikes.

But threats to the process included ethnic clashes, instances of violent anti-Semitism and signs that President Mikhail S. Gorbachev would increasingly rely on traditional instruments of force, such as the army and the KGB.

China, which dominated last year's report after the crushing of the democracy movement in 1989, was again harshly criticized.

According to the report, hundreds of people remained imprisoned for their role in the movement, and student leaders were being punished at trials in which they lacked basic rights.

Quayle Calls Nuclear Arms 'Option' Against Chemicals

Reuters

LONDON — Vice President Dan Quayle said Friday that he expected President Saddam Hussein of Iraq to unleash chemical weapons at some point during the war, and Mr. Quayle refused to rule out the use of nuclear weapons in response.

But the vice president, in an interview that took place before he met with Tom King, the British defense secretary, indicated that the U.S.-led multinational forces arrayed against Iraq were more likely to reply with conventional weapons in the event of a chemical attack.

Mr. Quayle said on the BBC's Radio Four that Iraq had the chemical capability "on artillery and short-range weapons," and that the United States anticipated that "at some time, at his choosing, he will unfortunately use chemical weapons."

"If in fact Saddam Hussein uses chemical weapons," he added, "one option is to overwhelm him with conventional weapons and not nuclear weapons."

But, he concluded, "I'm not going to rule out any options for the present."

Palestinian Aide Visited Brussels Twice, Paper Says

Reuters

BRUSSELS — A dispute over a visit to Belgium by an official of a Palestinian guerrilla organization last month erupted again Friday when a newspaper reported the official had also been in Brussels last year.

On Thursday, Foreign Minister Mark Eyskens survived a confidence vote in parliament over the visit on Jan. 16 by the official, Walid Khaled, spokesman for the Fatah Revolutionary Council. The group's leader, Abu Nidal, has threatened to carry out terrorist actions throughout the world in support of Iraq.

The episode has deeply embarrassed the government, forcing two of Mr. Eyskens' top aides and a senior diplomat to quit.

The daily De Morgen, quoting diplomatic sources, said Friday that Mr. Khaled had also been given a visa and visited Brussels for a week in April last year. That visit took place during negotiations for the release of a Belgian family held captive by the Fatah Revolutionary Council since 1987, the paper said.

Belgium last month released a jailed Palestinian guerrilla on the same day as the family was freed. But the government denied there was any deal for the hostages.

The Foreign Ministry declined comment on the De Morgen report. Other newspapers said questions remained about the incidents and that Mr. Eyskens' credibility had been damaged.

"Only in Belgium could a deeply compromised public figure sneak away from the disgrace of his mistakes," the daily Dernière Heure wrote. The newspaper Le Soir said Mr. Eyskens could no longer claim to represent Belgium in world affairs.

TO OUR READERS IN WARSAW
Morning hand delivery of the IHT day-of-publication is now available. Call today: 635 37 75

Envoy Denies Asylum Bid

Agence France-Presse

WASHINGTON — Iraq's ambassador to the United States, Mohamed Mashat, denied Friday that he was planning to seek political asylum in Austria.

Mr. Mashat, in a broadcast interview from the Iraqi Embassy in Vienna, said he was in Austria with his wife because of her health problems. He said she might have to undergo surgery.

Late Thursday, the Kuwaiti ambassador to Washington, Saud Nasir Sabah, said he suspected that Mr. Mashat would request asylum from the Austrian government.

THE ULTIMATE LUXURY **** ALL SUITE HOTEL AND RESTAURANT
WINTER RATES
46, avenue George V - Paris.
Prestigious suites, a charming restaurant, a room service, a beautiful inner garden, private parking. Take advantage of our "Winter rates" and reserve one of our superb suites.
Rooms from 1,000 FF
Suites from 1,675 FF
Enjoy a better quality of life.
Relais CARRE D'OR
Tél. (1) 40 70 05 05 - Fax (1) 47 23 50 50 - Télex 640 361

WAR IN THE GULF: Washington accuses Amman of importing oil from Iraq

ARABS: *Even Among Foes, There Is Pride in Saddam Hussein's Resolve*

(Continued from page 1)

ing the eight-year war between Iran and Iraq. Most Gulf nations with sizable Shiite populations experienced an increase in terrorist attacks during the war.

The conviction that Iraq should be preserved as a regional military power under new management was reflected in a statement issued Wednesday by King Fahd of Saudi Arabia and President Hosni Mubarak of Egypt, who met in the Red Sea port of Jidda for several hours.

The two repeated their call to Mr. Hussein to withdraw and spare his country further devastation. They said an immediate cease-fire was possible if the Iraqi leader, even at this late date, signaled his intention to withdraw from Kuwait.

Representatives of both countries have emphasized that the goal of the war was solely to free Kuwait from Iraqi control. In a recent interview broadcast on the BBC, Egypt's minister of state for foreign affairs, Butros Butros Ghali, underscored the point by asserting that Egypt could coexist with any Iraqi government that removed its forces from Kuwait, even one headed by Mr. Hussein.

Western and Arab diplomats agreed, however, that neither King Fahd nor Mr. Mubarak expected Mr. Hussein to comply with their demand, and that neither desired such an outcome.

"Neither Egypt nor Saudi Arabia see Saddam Hussein, in any form, as part of the new world order after this war," a Western diplomat said.

Rather, both leaders were said to be seeking to stem public discontent with the war among Muslim nations, as well as any nascent admiration or fear of the Iraqi president's stand.

"Prolongation of the war is very dangerous for public opinion," a senior Arab diplomat said. "This is especially true since this is a war being fought largely on television."

In his interview on CNN this week, for example, Mr. Hussein repeatedly expressed his unwillingness to abandon Kuwait, his determination to keep on fighting and an utter conviction that Iraq would prevail against the coalition's overwhelming military might.

Some Saudis who watched the interview said they were bewildered by his obstinacy, given the military odds against him. But others said they were impressed by the Iraqi leader's apparent calm and self-control.

"This is a part of the world in which force and strength are respected," a Saudi official said. "And even though we are opposed to him in this struggle, many here still admire, despite themselves, what they view as his steely resolve."

De Klerk Again Backs Allies

Reuters

CAPE TOWN — Brushing aside the protests of South African Muslims, President Frederik W. de Klerk repeated during the opening of a new legislative session Friday that his government supported the Western and Arab allies fighting Iraq.

WAR: *500 Iraqi POWs*

(Continued from page 1)

sions. He said units could be moving to prepared fallback positions. "They are moving in all directions — north, south, east and west," he said. "We didn't see any real pattern to it."

General Stevens said of the massing of Iraqi troops and armor in the desert:

"We watch it very carefully and we have superb resources to track what the enemy is up to. He may be moving simply to escape the punishment he is suffering from our air attacks."

Despite General Kelly's statement that Iraqi maneuvering in Kuwait did not appear to present an immediate threat to allied forces, Iraqi frontline positions were being hit again and again in hundreds of sorties by allied bombers, including B-52s. "When tanks and armored come out of prepared positions they are an easier target," General Kelly said.

Although allied commanders said the attack on the uninhabited town was insignificant and even puzzling from a military point of view, Iraq claimed it as a great victory and a turning point in the war before Baghdad radio on Friday announced that Iraqi units "completed their withdrawal to their original positions from which they advanced towards Khafji."

British military sources, stressing that their information was incomplete and their conclusion tentative, said they believed the Khafji raid was part of a four-pronged incursion across the border that was thwarted by artillery and aerial bombardment.

One military source in London said, "it is clear from the number of casualties the Iraqis have taken, and the number of prisoners of war, that there was something bigger that got hung up and didn't develop as they foresaw."

The land incursions and the simultaneous movement of a number of small ships in the Gulf may have been part of "a bigger operation that didn't go well," as one source said. This assessment appeared to have been borne out by the reported presence of Mr. Hussein with front-line troops along the Kuwaiti border throughout Wednesday night, when the Iraqi troops held Khafji.

The sources said they did not rule out an Iraqi attempt at some point to seize terrain for a limited period of time. "He may be seeing that time is not on his side," a source said. "The longer he sits and waits and does nothing, the more likely it is that he's going to have nothing left."

After retaking Khafji, Saudi and Qatari units fought Friday to ferret out Iraqi troops driven back to the northern fringes of the town. U.S. Marines said fighting was continuing along the six-mile (10-kilometer) road between Khafji and the Kuwaiti border.

The streets of the town, whose residents fled in the early days of the war, were littered with booby traps and bodies, twisted lampposts, chunks of masonry and dead camels.

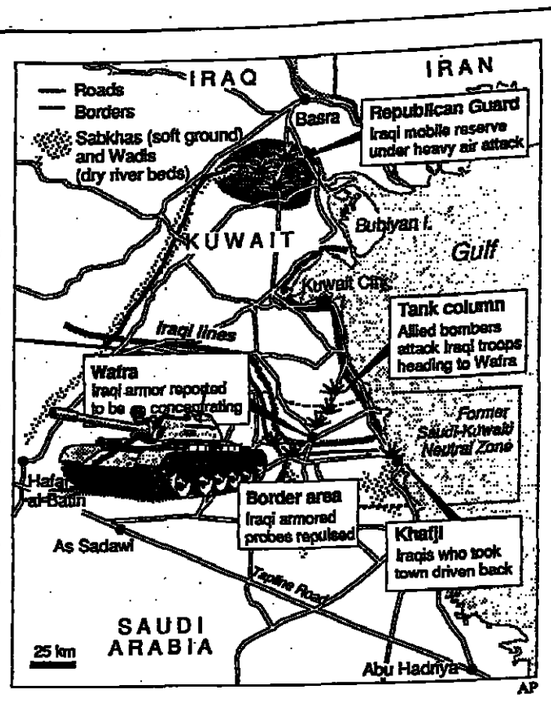
General Stevens confirmed a report Thursday that a U.S. C-130 four-engine aircraft was brought down over Kuwait on Thursday. He said all 14 crew members were listed as missing.

Without going into details, he said it was on a combat mission when it sent out a distress signal.

General Stevens said the plane was an AC-130, a version armed with cannons and heavy machine guns, rather than an EC-130, a intelligence-gathering and electronic counter-measures version, which had been suggested in earlier reports.

General Kelly said the U.S. command is continuing to look into reports that some or all of the 11 U.S. Marines killed during the border fighting may have been hit by fire from their own side.

(AP, Reuters, AFP, NYT, WP)



U.S. Says Jordan Is Violating Embargo

Reuters

WASHINGTON — The United States said Friday that Jordan was importing oil from Iraq in violation of the UN embargo against Baghdad.

"Although we admit that Jordan has been heavily dependent on oil imports from Iraq," said the State Department spokesman, Margaret D. Tutwiler, "such imports are a clear violation of UN Security Council Resolution 661, and the sanctions committee has never approved an exception for Jordan."

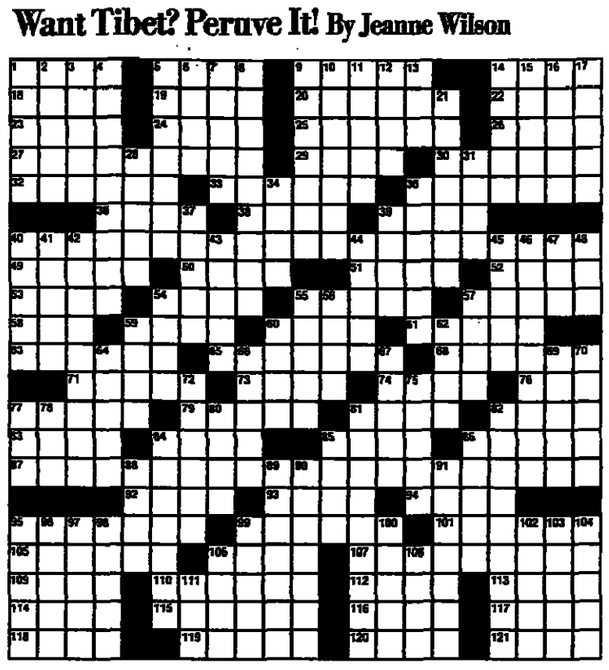
She said she did not know whether this meant that the United States felt free to attack oil-tank trunks traveling from Iraq to Jordan.

Jordan has taken measures to reduce fuel consumption after accusing the allies of bombing Jordanian tanker trucks, killing five drivers as they ferried crude oil along the Baghdad-Amman highway.

Despite its overall adherence to United Nations sanctions, the cost of which has been estimated at $1 billion for Jordan so far, the country has continued to receive oil from Iraq.

Saudi Arabia, the next nearest supplier, has cut off emergency oil supplies to Jordan. It has also banned Amman's products from entry to Riyadh and expelled at least 50 Jordanian workers.

Want Tibet? Peruve It! By Jeanne Wilson



ACROSS
1 A 1977 movie
5 "Batman," e.g.
9 "But war's ——...": Cowper
14 Pollution problem
18 Chums
19 Shirley Temple's first
20 Thin layer
22 Famed hill near Dublin
23 Fusses
24 Custer's last major
25 "The guests ——...": Coleridge
26 Time periods
27 With 65 Across, source of 40 and 87 Across
29 —— B'rith
30 Rolling stock
32 Nap, in Nayarit
33 Sell or tell
35 Science that's on the rocks
36 Ticked off
38 —— de plume (pen names)
39 Writer Calderon
40 Start of a quotation
49 Inductance unit
50 White bubbles
51 Covenant
52 Greek peak
53 College studies
54 Blame bearer in a song
55 Occur as a consequence
57 Understood
58 Also
59 Facility
60 Singer Laine
61 Schism
63 Imagoes
65 See 27 Across
68 Set back
71 Family of Portnoy's creator
73 City south of Moscow
74 Graf ——
76 Caviar
77 Mold
79 Expert
81 Salutation of a sort
82 Meerschaum
83 All atwitter
84 Dock support
85 A-F links
86 First: Comb. form
87 End of the quotation
92 Wallet stuffers
93 She may wear a chador
94 Munsters' pet
95 Divulges
99 Order from Hunter
101 Kind of license
105 He wrote "I Marry You"
106 Dish for a king?
107 Author of the quotation
109 Indigo
110 Obscure
112 Belém, Brazil
113 Dagger of yore
114 Canonical hour
115 Tso-lin of Manchuria and family
116 Balm
117 To be, to Bernadette
118 —— bien!
119 Beginning
120 Canapés
121 Be zetetic

DOWN
1 Girasols
2 Spokes
3 Complete copy
4 Tax men
5 Token, sometimes
6 "Happy Days Are Here Again" composer
7 Landed estate
8 Call at a barn dance
9 Country-rock group
10 Parsley, e.g.
11 What one swallow doesn't make
12 La Bohème
13 Chem. ending
14 Bargain
15 Cuomo or Lanza
16 Chimp's cousin
17 Like long-winded orators
21 Essay
28 Pitiless
31 Simba's sound
34 Seaver and Sneva
35 Attendants on Aphrodite
37 "—— Dream": Wagner
39 Uncle of Joseph
40 "They went —— way"
41 King of Judea
42 Celebrity's following
43 "Dog Day Afternoon" director
44 —— Downs
45 Column style
46 Recondite matters
47 Calais-to-Rouen dir.
48 Sunbather's goal
54 Hawkeye's unit
55 Barkin of films
56 Patricia of films
57 "Fish Magic" painter
59 Major chaser
60 Parrot's mandible covering
62 G.H.W.B., e.g.
64 Steady Eddie of pitching fame
66 Home of the slave
67 Coward's "To Step ——"
69 Frosh teasers
70 Murrow's "—— Now"
72 Callahan-Roberts song
75 Basketball defense
77 Short noncom?
78 Cry of discovery
80 Start of a W.S. title
81 Opossum shrimp
82 Shams
84 Ottawa chief
85 Poison
86 "Is life ——?": Gilbert
88 "Mum's the ——": Cervantes
89 Settle
90 Inflatable life jacket
91 Seems
95 "—— Sleep," Odets play
96 Under full legal age
97 "Common Sense" author
98 Van Gogh slept here
99 Open, tartlike pastries
100 Islands off Sicily
102 Anne Sedgwick novel: 1911
103 Rhone feeder
104 Nerve
106 Radar action
108 Lozenge
111 Greek letter

© *New York Times, edited by Eugene Maleska.*

Solution to Last Week's Puzzle

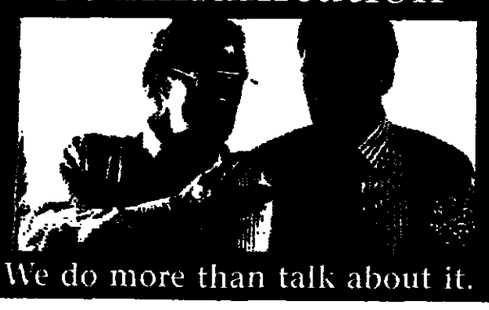
PADRES CEDAR TICEMAN
ANOINT OVERAWE DODECA
CONSTANZEWEBER OMELET
ANGER AIRY PIGMENTS
EAVES ENTERED
PREDATES PLUS AROMALY
REMOTE TREYI PIE IDEO
OVEN ORISTANO LIVY
PUNO FLIER RAYS ROMEO
EDIBLES PANES HOBELS
ORANT ANC ALOOF
PROVER NORAE SCHOOLA
RIVAL LOAD BEAK ROLL
EVEN STHOILE WHITE
TERN ANS OGEES SPARES
ARTICLE VLAD CHURNERS
ARILIAN BRUNO
CHANGES ORIT FETOR
CHANGO DIEZAUDIFLOTE
PEWTER ATHALIE HEBRON
AWNING SPANS ORATED

EDUCATION DIRECTORY

BELGIUM/FRANCE

NEW IN FRANCE
DARE EXPRESS YOURSELF IN FRENCH. ONCE AND FOR ALL
In most language courses you only progress by means of your own efforts.
The new residential center of CERAN has been created to facilitate your concentration, communication and progress.
Thanks to the unique support of an entire team, you will excell yourself, fully and finally freeing your communication capacities without feeling the intensity of your study programme 36 HOURS OR MORE DEPENDING ON THE CHALLENGE YOU SET YOURSELF!
You will hear and speak nothing but French, always in the presence of your teachers for 66 hours per week (lessons, meals, evening activities).
For over 15 years now, 77% of our clients have opted for Ceran following the remarkable progress they have observed in our past participants. ALCATEL, SIEMENS, E.C., COCA-COLA, LUFTHANSA, PEPSI-COLA, DRESDNER BANK, etc.
Only recommended for motivated adults, even beginners
CERAN LANGUES PROVENCE
B.P. 27.264
F-30130 PONT-SAINT-ESPRIT
Tel. (33) 66 90 33 66
Fax. (33) 66 90 33 69
CERAN ARDENNES
284, avenue du Château
B-4900 SPA
Tel. (087) 77 71 64
Fax (087) 77 36 29
In USA : Languagency - Tel. (203) 257-1699 - Fax (203) 284-1827
Residential courses in English, German, Dutch and Spanish are also available

EUROPEAN/AMERICAN

Communication

We do more than talk about it.
As one of the foremost institutions in the United States, Emerson College has focused on education in the communication arts and sciences for over 110 years.
In 1991, students from throughout the world can attend the EIIC in the Netherlands. An EIIC-Emerson education combines applied learning and theory within the rich context of the humanities and social sciences. It is this distinctive style of education which has helped to create leaders in communication fields throughout the world.
The EIIC offers programs taught by Emerson's prestigious faculty members in:
• Advertising
• Writing, Literature & Publishing
• Journalism: Print & Broadcast
• International Communication
• Business/Marketing
• Public Relations
• Political Communication
• Television & Film
B.A., B.S. and graduate degrees awarded. Emerson is a fully accredited institution. One semester or one full year in the United States for internship/study offered at our main campus Boston or the center in Los Angeles, California. Applications now being accepted.
E I I C EMERSON
EUROPEAN INSTITUTE FOR INTERNATIONAL COMMUNICATION
Brusselsestraat 84, 6211 PH Maastricht, the Netherlands.
tel. +31 (0)43-258282 - fax +31 (0)43-255550.

FRANCE

EXPO LANGUES
8-11 FEBRUARY 91
PARIS · PORTE DE VERSAILLES
TRADE DAY: THURSDAY FEBRUARY 7th
OPENING HOURS: 10 a.m. - 7 p.m.
LATE NIGHT: FRIDAY FEBRUARY 8th: 10 a.m. - 9 p.m.
ESPACE ORIENTATIONS DE LANGUES MAGAZINE
• Orientation Spaces • Orientations • International Studies • Employment

Get ready for 1992. Learn French now at France's renowned
INSTITUT DE FRANÇAIS
A "complete immersion" course
• All highly trained teachers
• A professional adult student body
• An entire staff dedicated to your needs
• A breathtaking setting on the Riviera
8 hrs a day with 2 meals
8 levels : Beginners I to Advanced II
Next 2-4 week course starts March 4, April 1 and all year.
06230 Villefranche/Mer - 82, France. Tel 93 01 88 44 Fax 93 76 92 17

FRENCH IS THE KEY TO THE FRENCH MARKET
VERSION FRANÇAISE
The smallest groups on the Côte d'Azur (max. 5), intensive, all levels.
23 Rue de Rivoli - 06000 NICE. Tel.: 93 88 29 90. Fax: 93 87 65 34.

EXECUTIVE EDUCATION

- FRENCH IN FRANCE -
LE CENTRE BOURGUIGNON
Europe's premier residential training centre in the heart of the Burgundy vineyards.

• luxurious accommodation, haute cuisine
• one-to-one instruction
• 70 hours a week exposure
• executives from Europe, Japan and USA
FOR DETAILS CONTACT:
From UK: Tel. 0962 841775 Fax 0962 840632
From other countries: Le Centre Bourguignon, Domaine de Nesvres, Route de Bussy, 71390 St Désert.
Head Office (Lyon): Tel. +33 72 33 53 98 Fax +33 72 36 95 63
RICHARD LEWIS COMMUNICATIONS

THE EDUCATION SPECIAL REPORT
will be published on February 16, 1991
To place an advertisment please contact your nearest I.H.T. office or representative or call Paris:
Brooke Pilley: 46 37 93 83

COMBAT: *Khafji Battle Is Shrouded in Confusion*

(Continued from page 1)

the aircraft did not defend the town as they had only hours earlier.

● How were the Iraqis able to move on Khafji without being detected well in advance by U.S. satellites, reconnaissance planes, electronic monitoring equipment and U.S. and Saudi observation teams stationed along the border? How big was the attacking force?

Brigadier General Pat M. Stevens 4th said Thursday that the Iraqi push into the town on the third try did not represent a failure in advance warning. "In fact, we probably have the finest ability to see the battlefield of any armed force in history," he said. "So no, I would say there's no failure there, absolutely none."

General Stevens declined to respond to questions why, in that case, the Iraqis were able to move what he initially reported as a light armored battalion, 400 to 500 men with their tanks, across the border and 10 kilometers down the highway without interference from the aircraft that had driven back the two earlier tank columns.

● What was the U.S. role in the battle?

General Stevens said Thursday that Marine helicopter gunships supported Saudi and Qatari forces trying to retake the town. But, echoing what General Schwarzkopf said Wednesday, he added: "No Marine ground units were engaged in Khafji."

Pool reports, including television footage, showed that, in fact, Marine artillery units were shelling Iraqi positions around Khafji. In addition, a Marine officer told pool reporters the tale of two Marine reconnaissance teams trapped inside the town who hid from the Iraqis and called in artillery and gunship strikes during the fight.

General Stevens said Friday that he had used the word "engaged" in the strict military meaning of maneuvering ground troops. The Marine artillery fire, he said, was only "support."

● How were Iraqi troops able to control the town for 36 hours?

Saudi forces, who had responsibility for the sector, had a Saudi Marine garrison in Khafji earlier. But the unit was gone by the time the Iraqis attacked, leaving the city empty of Saudi troops when Iraqi tanks pulled in.

It has remained unclear whether the Saudi unit fled after the first Iraqi probes or pulled out under orders at an earlier point. More important, U.S. and Saudi officials have refused to describe what happened between the Iraqi entry about midday Wednesday and Saudi probes more than 12 hours later that culminated in a successful attack Thursday that included house-to-house fighting.

A senior U.S. military officer said privately that Saudi officers believed during the first hours of Khafji's occupation that they could induce the Iraqi force to surrender.

Mubarak Sees War as Lasting Another Month

Reuters

WASHINGTON — The war may last another month at the most unless some surprise development occurs, according to President Hosni Mubarak of Egypt.

Mr. Mubarak pledged that Egyptian troops would remain part of the U.S.-led coalition fighting to drive Iraq from Kuwait even if Israel retaliated against Iraq for Scud missile attacks.

"Unless there is something new which we don't know, it may take a longer time," he said in an interview Thursday from Cairo with ABC. "But I don't think in this way it could take more than a month."

"I don't envy his position now," Mr. Mubarak said of Saddam Hussein of Iraq. "What's he going to tell his armed forces?"

"You want him just to raise his hands?" Mr. Mubarak asked. "That means that he is committing suicide."

The Iraqi president said in a radio broadcast last week that Mr. Mubarak would be assassinated by his own people for siding with the allies. Mr. Mubarak brushed aside the threat.

World Headlines: Day 16

Frankfurter Allgemeine
Iraqi Defeat After Heavy Fighting
Frankfurter Allgemeine, Frankfurt

人民日报 Granma 海日新聞
Socialist Ideological Education Is Flourishing in the Countryside
People's Daily, Beijing
Oil, Corporate and Cigarette Taxes to be Increased
Mainichi Shimbun, Tokyo
Half a Million Quintals of Meat and Vegetables Produced in Havana in January
Granma, Havana

ПРАВДА Орган Центрального Комитета КПСС
Communiqué of the Enlarged Plenum of the Central Committee and of the Central Control Commission of the Communist Party of the Soviet Union
Pravda, Moscow

DE KLERK: *Scrapping the Last Apartheid Laws*

(Continued from page 1)

tion to release the black activist Nelson Mandela, who walked out of prison nine days later.

Since then, Mr. de Klerk has repealed the Separate Amenities Act, which had let municipalities reserve public facilities for whites. Among other things, he has opened hospitals to all races and has ended a national state of emergency that restricted political activity.

"In the short span of a single year," Mr. de Klerk said Friday, "substantial progress was made. The government is determined to build on the foundations laid purposefully, efficiently and with due speed."

He added, "South Africa cannot allow or permit the dynamic process of reform to slow down."

As he spoke, the African National Congress launched marches in Cape Town, Johannesburg, Pretoria and other cities to underscore the reality that blacks remain excluded from legislatures.

In Cape Town, Walter Sisulu, a senior ANC leader, addressed a crowd of perhaps 15,000 who had gathered outside City Hall.

"We still do not have the vote," Mr. Sisulu said, "and this is what our people want today."

He added that the scrapping of the acts must be followed by "measures to retrieve the damage they have done."

The elimination of the final laws will signal the legal demise of apartheid. But there remain considerable disparities between blacks and whites in wealth, education and opportunity. Moreover, blacks remain disenfranchised.

Mr. Viljoen said this would have to be rectified in the constitution that President de Klerk has invited black leaders to help negotiate. Mr. de Klerk said in June that it was possible South Africa had seen its last whites-only election.

Foreign Minister R.F. Botha said the measures announced by Mr. de Klerk on Friday were not aimed at eliminating foreign sanctions.

"What is happening today," Mr. Botha said, "is confirming President de Klerk's clear statement that the process towards the dismantling of apartheid and fundamental change in South Africa is irreversible."

Archbishop Desmond M. Tutu, a proponent of the sanctions, said at the ANC march that President de Klerk's speech had made it hard to dispute his seriousness about dismantling apartheid.

"We are getting very near to where it will be irreversible," the Anglican archbishop said. "It is going to be very difficult for us to continue to ask for sanctions."

In his speech, Mr. de Klerk restated his opposition to an elected constituent assembly to draft a new constitution, and to an interim government, which the African National Congress has demanded.

"The idea that the present, legally constituted government should relinquish its powers and simply hand over its responsibilities to some or other temporary regime cannot be considered in a sovereign, independent state," he said.

But he suggested that the government might share some of its authority with the Congress and other such extraparliamentary groups once the transition to nonracial democracy was under way.

He also said legislation would be introduced to let white communities and black townships establish joint structures, but on a voluntary basis.

Mr. de Klerk spoke even more circumspectly about ending educational segregation, which has engendered conspicuous discrepancies between white and black schools.

"The present educational system shall and must be changed," he said, adding that a single system of government-assisted education had to remain optional for communities.

Mr. de Klerk also issued a separate "Manifesto for The New South Africa," which laid out a set of ideals and values subscribed to by those who supported his agenda for change.

"All the people of our land shall participate fully at all levels of government on the basis of universal adult franchise," one of its principles read.

According to another, "All people shall be equal before the law, and shall enjoy equal rights regardless of race, color, sex or creed."

هكذا من الاصل

هكذا من الأصل

The War's Jarring Effect on Pakistan: Fissures With Unpredictable Consequences

By Barbara Crossette
New York Times Service

ISLAMABAD, Pakistan — Reactions to the war against Iraq have created political havoc in Pakistan, where the government of Prime Minister Mian Nawaz Sharif has been trying to stabilize the country and restart the economy after a year of domestic turmoil.

A rift with unpredictable consequences has opened between the prime minister, who generally supports the Saudi Arabian and allied view on Iraq, and the Pakistani military, which is still smarting from the cutoff of American aid in October.

On Monday, General Mirza Aslam Beg, the army chief of staff, made a speech in which he said that the Gulf war was part of a "Zionist" strategy that also guided Washington.

Reflecting the view that any Muslim leader was preferable to an assortment of infidels and heretics, he argued that "the United Nations had allowed the allied forces to liberate Kuwait and not to destroy Iraq economically and politically."

Pakistan has committed more than 10,000 soldiers to the allied force in Saudi Arabia, but said these were there mainly to protect the holy places.

In a rush to make political capital of popular support for President Saddam Hussein of Iraq, the fragmented Pakistan People's Party — still led, in theory, by Benazir Bhutto — has in effect joined ranks with the religious right and the military, who are traditional enemies.

This is taking place against a backdrop of nonstop propaganda that favors, and in some cases is paid for, by Iraq or Iran. Tehran apparently hopes to emerge from the conflict with a major role in the Middle East. Pakistan has an influential Shiite Muslim minority in a largely Sunni Muslim country.

Pakistan, a nation not entirely sure of its bearings, is awash in anti-Western polemics. In a country where Christian churches are being stoned because Washington is in charge of the war, there is a daily diet of visceral anti-Americanism and crude anti-Semitism in the press, both English and Urdu.

"Imagine, $13.5 billion for losing half a dozen lives and some houses," a columnist in The Muslim newspaper wrote Thursday of the Israeli aid request because of its role in the conflict. "Trust a Jew to make big money out of a minor mishap."

A retired army officer said that many Pakistanis were saying that the outburst against the West had peaked or reached a plateau and that a large part of the credit for cooling tempers should go to the prime minister.

Diplomats agree that Mr. Sharif, although under pressure from conservative Islamic parties that helped bring him to power, has moved decisively against the mobs and those who instigate them. Representatives of Western embassies said they believed that they were well protected.

The government has curtailed, and in some areas banned, the sale of posters with an artist's rendering of the Iraqi president at prayer.

The press attaché of the Iraqi Embassy has been expelled on charges of funneling large amounts of money to pro-Iraq demonstrators and directly instigating protests.

A political analyst in touch with provincial Urdu-language newspapers said Iraqi money was being lavished on propaganda.

There are bold voices willing to counter the trends.

In an interview with The Pakistan Times on Friday, Khaled Ahmed, an editor of The Frontier Post, a Peshawar-based newspaper that has generally been hostile to the United States, said the Islamic world had again fallen for a mythological hero.

"The Muslims have always looked for a savior figure," he said. "They did it to Gamal Abdel Nasser, to Qadhafi, even to Ayatollah Khomeini. Once you start subscribing to the idea of a savior figure, you enter the realm of mythology, where reason does not work."

The Pakistani and Indian press has given prominence to stories that prove to be cases of disinformation: that Israeli planes are based in Saudi Arabia or Turkey; that Pakistanis and Americans have been shooting at each other, and that Iraq has won a major land battle against allied forces in Khafji. The U.S. Information Service has a collection of such stories.

Pakistanis also get their news from the Gulf through mullahs in the mosques and from foreign broadcasts, including the BBC and the Voice of America. But a student with generally moderate views said this week that when he "wanted the truth," he turned to Moscow radio.

Asked what he meant by the truth, he replied that on Iranian radio he had heard that more than 200 U.S. planes had been shot down. He said that Americans were contending that they had lost only a few, which was clearly a lie.

Pakistan's two largest cities, Karachi and Lahore, receive CNN, but the network is often criticized as too pro-American.

Pakistani publications and the government television network do not report on the war from the scene, however, saying that such coverage is too expensive for a poor Third World country.

"In Pakistan," Mr. Ahmed of The Frontier Post said, "journalism has become the first casualty of this war."

More Than Principle at Stake?

Market Consequences for Japan Seen if It Heeds Pacifists

By Paul Blustein and T. R. Reid
Washington Post Service

TOKYO — Suppose the Japanese Diet, bowing to widespread public opposition to the war in the Gulf, refuses to approve the $9 billion contribution that Prime Minister Toshiki Kaifu has pledged for the U.S.-led multinational force.

That scenario was raised this week in a report by the research department of Salomon Brothers Asia Ltd. The investment firm warned of dire consequences for Japanese financial markets if opposition parties force the Kaifu government to weaken its support for the anti-Iraq effort.

As the Diet, the Japanese parliament, became embroiled in a debate over the aid, the Salomon analysts wrote that "confidence in the yen and Japanese assets" are at stake and the markets will be heavily influenced by "the willingness of the Japanese people to accept the Liberal Democratic Party's goal of a broader international role for Japan."

The Salomon scenario will probably not come to pass; political insiders expect Mr. Kaifu's $9 billion plan to win Diet approval, albeit narrowly.

But the report reflects the growing consensus that as far as Japan's economy is concerned, the biggest damage from the war is unlikely to come from high oil prices or shaken consumer buying sentiment. Rather, the more significant danger lies in the potential for a severe international reaction to any perceived failure by Japan to shoulder its fair share of the war burden.

Kenneth S. Courtis, senior economist for DB Capital Markets (Asia) Ltd. in Tokyo, wrote in his weekly report to clients:

"Among the most important issues that the Gulf crisis raises from the perspective of Japan's position in the world economy, is the question of the country's ability, indeed its willingness, to assume positive international responsibilities."

The war's direct effect on the Japanese economy appears to be minimal, Mr. Courtis said.

"Oil is cheaper today, in yen terms, than it was before the invasion of Kuwait," he noted. Japan has built up a four-month supply of petroleum, and it has become highly energy efficient, producing about 2.4 times the output with the same energy as it did 15 years ago.

Mr. Courtis contended, however, that Japan had "aimlessly squandered enormous amounts of political capital" because of its hesitant, often fumbling response to requests for active support from the United States and other nations involved in the fight against Iraq.

This "vacuum of leadership," and the anger in Washington and other capitals, "sets Japan up for much more intense international pressure to open its markets," he said, adding, "It also means that Japan's economic activity abroad will come under still more intense scrutiny."

Already, critics have sought to use the issue of Japan's Gulf contribution to prod Tokyo into making trade concessions. For example, the chairman of Chrysler Corp., Lee Iacocca, asserted that Japan ought to restrict auto exports because Americans would soon be making sacrifices "in an area of the world that supplies most of Japan's oil."

For now, the sizable sum offered by Mr. Kaifu has drawn expressions of appreciation from members of Congress, and virtually no one is calling on Tokyo to send troops to the Gulf, which would violate Japan's postwar constitution.

The $9 billion, which would be in addition to $4 billion previously committed, is equivalent to about $76 for each Japanese citizen. To cover these pledges, the government has proposed doubling oil taxes, increasing the cigarette tax by 7½ cents a pack and raising corporate tax rates.

Even if, as expected, the $9 billion is eventually appropriated, obtaining more money from Tokyo for a prolonged war could prove difficult. Local elections are scheduled for April, and the opposition Socialists are planning to make the war a major issue.

All this comes against the backdrop of an economy that otherwise is so robust that the Bank of Japan, which has been hoping for a slowdown to help contain inflation, plans to keep interest rates high for at least a while longer until more clear signs emerge of a cooling trend.

"This is no time to change our policy stance," a senior central bank official said Thursday.

But what would happen to financial markets, he was asked, if the Diet rejected the Kaifu-backed proposal on the Gulf War?

"I don't even want to think of the situation," he replied.

Kaifu Agrees To Offer Only Nonlethal Aid

New York Times Service

TOKYO — Prime Minister Toshiki Kaifu, struggling to gain legislative approval of $9 billion in aid for the war against Iraq, has agreed in principle to a compromise that would prevent the money from paying for arms, ammunition or other lethal materials, Japanese officials said Friday.

The officials said that instead, the money would be given to the United States and its allies fighting in the Gulf only for "logistical" purposes. As a practical matter, the officials said, this money would then free other funds to be spent for the lethal materials needed.

Mr. Kaifu's decision was seen as a setback because the United States had asked that no strings be attached to the new contribution by Japan. But U.S. officials said they were pleased that the $9 billion would be allocated and that the restrictions were acceptable.

"There are plenty of things we can use the money for without having to spend it on lethal materials," a U.S. official said.

The compromise embraced by Mr. Kaifu, which officials said had not been approved in every detail, is to be announced next week as the debate in the Diet, or parliament, heats up.

The Associated Press

Sergeant Robert Brinkofski, a member of the U.S. Army's 1st Armored Division band, carrying the tools of his trades — a sousaphone and an M-60 machine gun — at a base in Saudi Arabia on Friday.

Grieving Families: Marines Died Nobly

By Dana Priest and David Maraniss
Washington Post Service

WASHINGTON — Lance Corporal Dion James Stephenson of the U.S. Marines is being escorted home to Bountiful, Utah, by his younger brother Shaun, a fellow Marine stationed in Saudi Arabia where Dion was killed in combat this week.

"Make sure everybody knows what kind of kid he was," his father, James T. Stephenson, a former Marine, said. "He was an American hero. He loved his country."

Like others of his 10 Marine comrades reported killed during a battle with Iraqi troops in Saudi Arabia, Dion Stephenson, 22, was a young man who left behind a promising life when he was sent overseas late last year.

He was a standout as a high school swimmer and soccer player, a popular and handsome teenager who volunteered to tutor children and followed in his father's footsteps.

The almost mechanical image of the Gulf war, created from maps, videotapes and endless numbers at military briefings here and in Saudi Arabia, was suddenly rearranged for relatives and friends of those who died in the first sustained ground fighting since war began Jan. 17.

For them, the focal point was the Pentagon list identifying the 11 dead Marines, all based at Camp Pendleton, California. It included hometowns that evoked the contrast between the ordinariness of daily life in the United States and the complexity of war far away.

On the list was a young man who grew up in a place called Whitehouse. It is a small town in east Texas, named for the old Methodist church, once the only painted building in town. Others lived in towns and cities named Waianae and Waurwatosa, Belvidere and Bountiful, Coulterville and Yellow Meadow.

The young Texan was Daniel Walker, 20. His father, mother and sister, 11, grieved — exhausted and deeply pained but proud of what Daniel had become and why he died.

"Daniel was a good human being that had found himself in the world," said his father, Bruce Nolan Walker, who taught his son how to fish and hunt and to play pool at the table in the garage.

"You hear people say, 'Join the service and become a man.' He truly had. He was proud to be a Marine. Daniel gave his life bravely and proudly in a noble cause, fighting a madman. I don't know how any human being can do more than give his life in a noble cause."

One of those killed, Corporal Stephen E. Bentzlin, 23, was born in St. Paul, Minnesota, and grew up in the southern Minnesota community of Wood Lake. He and his wife, Carol, who brought three children to their marriage, celebrated their first anniversary Dec. 29.

"I am grief-stricken over losing Steve," she said in a statement issued at Camp Pendleton. "I spoke to my husband last week. He was in a good state of mind and felt confident. However, perhaps he had a premonition of this tragedy, because he wanted to talk about the details, should he not return.

"He tried to prepare me for this. He said, 'Somebody's gonna get hurt, babe.' But I didn't think it would be Steve.

"Steve loved what he was doing, and I hope his death contributes in some way to our freedom here. I loved my husband with all my heart and soul. It's going to be terrible for our three children and myself. Good night, Steve. I miss you. I love you. You're a hero."

Refugee in U.S. Sues Pan Am for Barring Iraqis

New York Times Service

NEW YORK — An Iraqi who was granted political asylum in the United States has filed suit against Pan Am over the airline's new policy of barring Iraqi passengers from all flights, regardless of whether they pose a security threat.

The suit was filed Thursday in U.S. District Court in New York City by Salan H. Salman, who came to the United States in 1984 seeking political asyhum

Mr. Salman, 38, an architect who lives in New York, said in his suit that he tried to reserve tickets for a flight to Czechoslovakia through a Pan Am reservation agent over the telephone Wednesday, but after he told the agent he was from Iraq he was told that he would not be permitted to fly on a Pan Am plane.

Mr. Salman is seeking to overturn the policy on behalf of all Iraqis who have been affected by it.

Pan Am has refused to allow any Iraqis to board its planes since the war in the Gulf erupted two weeks ago.

War Offers Chance to Split With U.S. For Some Southeast Asian Nations

By Michael Richardson
International Herald Tribune

KUALA LUMPUR — The Gulf war is sharpening differences in Southeast Asia between countries like Malaysia and Indonesia that want to reduce the region's dependence on U.S. protection, and other nations that want to maintain an American military presence.

The Malaysian and Indonesian foreign ministers issued separate calls recently for Southeast Asian countries to take control of their own destiny while the United States and the Soviet Union are preoccupied with problems elsewhere.

The Malaysian foreign minister, Datuk Abu Hassan Omar, said nations should act with urgency to establish a regional order in which they could "play their role in the making of a new Southeast Asia."

He said that in the past "we were too dependent on external powers, that have now been diverted elsewhere."

The Indonesian foreign minister, Ali Alatas, said the strategy of seeking security through military alliances with major powers had proved to be counterproductive and "will indeed become increasingly irrelevant."

But Western diplomats said Thursday that the demonstration of U.S. resolve to drive Iraq from Kuwait had strengthened convictions in Singapore, Thailand and Brunei that a continued U.S. military presence in Asia is needed to ensure a stable balance of power.

Even in the Philippines, where there has been strong leftist and nationalist pressure to phase out U.S. bases, the Gulf war is strengthening the hand of officials who want American forces to stay.

The Philippine vice president, Salvador H. Laurel, who has led the rightist opposition in Congress since he broke with President Corazon C. Aquino, warned that the Philippines might be left "strategically naked in a region that historically has been as volatile as the Middle East."

Fidel V. Ramos, the Philippine defense secretary, said that there were "many potential flash points" in East Asia, and that the Philippines did not yet have the capability to meet even its minimum needs for external security.

He added that Philippine-U.S. security relations should be maintained for some time to "ease the heavy economic burden of defense spending."

Lee Kuan Yew, the former Singapore prime minister and now senior minister, said there were similarities between the histories of Gulf nations and Southeast Asia.

Both regions, he noted, used to be under the rule of European powers and that was a period marked by "a stable balance" between countries. Mr. Lee said that in the case of the Gulf nations, this balance disappeared once the powers withdrew.

Southeast Asia had been able to maintain "some sort of balance," he said, by developing regional cooperation through ASEAN, the Association of South East Asian Nations, while a wider regional balance had been maintained by the presence of U.S. forces throughout the Pacific.

Analysts said Thursday that there had been a divergence among ASEAN countries in the past over the scope of military cooperation with external powers.

Indonesia has strictly adhered to nonalignment, while Malaysia has allowed only limited military cooperation with the United States, Britain and Australia.

To help keep the United States engaged in the region, the Philippines has provided major bases to American forces. Thailand, also a U.S. treaty ally, has allowed American military aircraft to land at Thai bases en route to the Gulf.

Singapore recently offered additional access to its bases for U.S. warships and planes. Brunei, an Islamic sultanate worried that it may be vulnerable to pressure from larger Asian countries, has offered landing rights to U.S. military vessels and aircraft.

But analysts warned that divergent security strategies between ASEAN nations would become more difficult to manage in the future if the politics of Islam continued to affect relations between the United States and non-Communist countries in Southeast Asia, particularly Malaysia and Indonesia, where Muslims form a majority of the population.

"There is caution in the air about dealing with the U.S. in the post-Gulf war situation," said Chandran Jeshurun, coordinator of the regional strategic studies program at the Institute of South East Asian Studies in Singapore.

The perception that the United States has obstructed a settlement of the Palestinian problem because of its alliance with Israel is a source of considerable tension in U.S. relations with Malaysia, Indonesia and Brunei, analysts said. It also affects attitudes toward the United States among the substantial Muslim minorities of Singapore, Thailand and the Philippines.

Gulf Notes

■ **Edward Heath,** the former British prime minister, denounced his country's attempts to get other nations to help finance its war effort, saying, "We are becoming mercenaries," and adding: "We are just being paid by other people to go and fight. We are back in the 14th century with the Crusades." Mr. Heath, in an interview on BBC television Thursday, said countries undertaking international obligations "ought to be able to do it on their own strength and their own merit." Germany this week put up £270 million ($530 million) to help meet British costs. *(Reuters)*

■ **Fifteen Nonaligned countries** will meet in Belgrade on Feb. 11 and 12 to begin an initiative for ending the war, Tanjug press agency announced Friday. The agency quoted Yugoslav Foreign Ministry officials as saying the conditions were favorable for such an initiative. The participants, which include Algeria, India, Iran and Venezuela, are to seek ways of "eliminating the cause of the crisis and gradually settling all problems in the region." *(Reuters)*

■ **A storm that brought showers** to Israel and other Mediterranean coastal countries on Friday will move northeast and bring some rain to the northern third of Iraq on Saturday, according to a forecaster with Accu-Weather, a private U.S. concern. But the southern third of Iraq and other southern Middle East locations will be dry Saturday. As the storm moves northeast, the forecaster said, a strong cold front will create a line of showers that could reach Kuwait and the Gulf by Sunday. Accu-Weather forecasts for the Middle East are based on satellite photographs, with no ground data available from areas of conflict. *(Reuters)*

■ **Istanbul riot police** used nightsticks to break up an anti-war demonstration that occurred as hundreds were leaving Friday prayers, witnesses reported. No injuries were reported. Witnesses said at least 10 people were arrested. The unauthorized protest, which involved about 400 people, began after a group left Beyazit Mosque, near the Istanbul University area, gathering supporters in a march onto the main street. *(AP)*

■ **The United States** has agreed in principle to provide Greece with an unspecified number of Patriot antimissile missiles, a Greek government spokesman said Friday. The agreement was reached during talks between Foreign Minister Antonis Samaras and Defense Secretary Dick Cheney in Washington on Wednesday. Greece's defense minister, Ioannis Varvitsiotis, said the request for Patriots was not directly linked to the war. He said the missiles were being acquired as part of a program to modernize the armed forces. *(Reuters)*

■ **Berlin police** blocked off streets around the statue of the Goddess of Victory, which is in danger of collapsing after a war-related bomb attack last month. *(AP)*

When in unfamiliar territory...

You know how it is when you are in a faraway land.
Especially when it's your first time in an unfamiliar place.

The culture, the food, the people. It's only when you feel foreign that you wish for the comforts of home.

That's why, we go out of our way to make your stay as comfortable as possible. Our spacious rooms come complete with modern amenities and 24-hour room service. Superb restaurants, a business centre, large pool and the business district just minutes away add to the attraction of staying with us.

And there's more, if you are a frequent traveller: join the New Otani Club and you'll get further exclusive benefits.

At Hotel New Otani, we never stop pampering you.

Stay with the comforts of Hotel New Otani

I wish to know more about the Hotel and the New Otani Club. Please send the details to:
NAME ..... AGE .....
ADDRESS .....
..... COUNTRY .....

The New Otani
HOTEL NEW OTANI SINGAPORE
177A River Valley Road, Singapore 0617.
Tel: 3383333. Tlx: RS22749 SINOTA. Fax: 3392854.

For reservations and information, please contact United States and Canada (800)421-8795, Toll-Free. California (800)252-0197/(800) 273-2294, Toll-Free, Hawaii (808)923-1555. United Kingdom 731-4231. Japan (03)32627021. Hong Kong (852)5292713. Kuala Lumpur 5501109/5501110. Reservations are also available through Utell International.

An international company specialising in the marketing of "Golf-Hotel" in Europe is offering you:

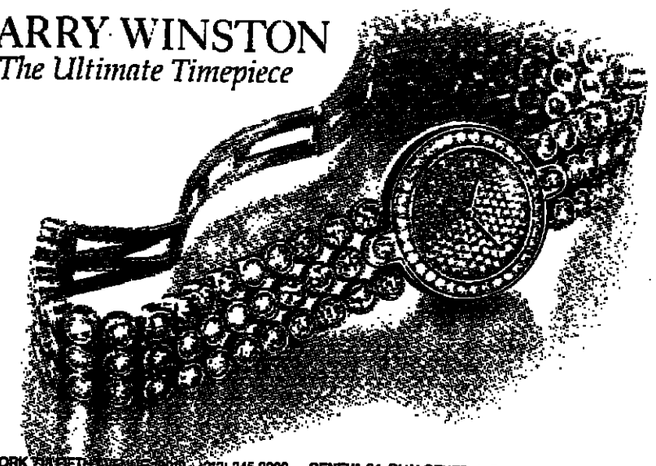
52%
PROFIT OVER 2 YEARS
CASH PAYMENT GUARANTEED AT THE END OF TWO YEARS

as an owner/investor in the promotion of a GOLF-HOTEL*** with its OWN PRIVATE GOLF COURSE OVERLOOKING THE SEA

MINIMUM CAPITAL: US $ 350.000
LIMITED OFFER!

FOR ANY FURTHER INFORMATION CONTACT OUR INTERNATIONAL INFORMATION OFFICE AVENUE LOUISE 375 (6e) B-1050 BRUSSELS (BELGIUM)
TEL: Int. + 32-2-640.15.28
FAX: Int. + 32-2-640.19.17

HW
HARRY WINSTON
The Ultimate Timepiece



NEW YORK 718 FIFTH AVENUE - (212) 245 2000
PARIS 29, AVENUE MONTAIGNE - (1) 47 20 03 09
BEVERLY HILLS 371 N, RODEO DRIVE - (213) 271 8554
GENEVA 24, QUAI GENERAL GUISAN - (22) 28 36 66
MONTE-CARLO HOTEL DE PARIS - 93 50 72 10
TOKYO HOTEL SEIYO - 1, GINZA-CHUO-KU - (03) 535 6441

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

China Calls It Leniency

"Nei jin, wai song," says China's Communist leadership, meaning that its policy of fierce domestic political repression can coexist with harmonious relations with the outside world. Not so is the outside world's only decent response.

Last week, Beijing convicted and sentenced eight student and intellectual leaders of the 1989 democracy movement, after trials that excluded family, journalists and independent observers. Government-appointed defense counsels readily conceded the defendants' guilt.

Wang Dan, one of the best-known student leaders, received a four-year prison sentence. Ren Wanding, a veteran of the 1978-79 Democracy Wall movement, drew seven years because of his continued intransigence.

Further political trials are expected soon, including those of Wang Juntao, editor of the reform journal Economic Studies Weekly, and Chen Ziming, its publisher. Both risk death sentences on charges of plotting to overthrow the government.

In 1991, flagrant abuse of human rights can no longer be treated as a purely domestic issue. International conventions require conformity with agreed minimal standards. The laws of many democratic countries require more. And hard-headed statesmen and investors are recognizing the links between state violence today and stability tomorrow.

The State Department rightly expresses American outrage at China's latest imprisonment of people for "nonviolent expression of political views," and questions the fairness of the trials. It suggests the convictions may violate the United Nations Universal Declaration of Human Rights.

That is a welcome surprise. The Bush administration recently renewed its courtship of China's leaders to avoid open Chinese opposition to its Gulf policies. For Washington now to insist on upholding UN human rights principles, even against a permanent member of the Security Council, demonstrates the evenhandedness required for a new world order based on law.

Remarkably, Beijing seems to believe that in these trials it has gone out of its way to be lenient. Workers involved in the 1989 democracy movement were shot in the back of the head. Wei Jingsheng, a young worker who wrote articles 12 years ago insisting that political democracy was essential to economic modernization, has been held in solitary confinement ever since.

Beijing's more modulated repression this time comes after Chinese officials were shocked at the human rights criticism they continue to draw in public in the West. China's response must be considered progress of a sort, encouragement to keep up the dialogue and the criticism; Beijing's behavior falls far short of what the world expects.

— THE NEW YORK TIMES.

Rough Justice in Israel

Under cover of a genuine war scare in Israel, Prime Minister Yitzhak Shamir's rightist coalition is promoting a spy scare that smells. Sari Nusseibeh, a prominent West Bank Palestinian, was arrested Tuesday for allegedly informing Iraqi targeters where Scud missiles had landed — a grave charge if true. Mr. Nusseibeh, who denies doing any such thing, was given a six-month sentence without any trial or formal charges. That looks less like justice than a vendetta.

The day of his arrest, Mr. Nusseibeh met with Israeli supporters of Peace Now, a reputable group favoring territorial compromise with Palestinians. His Israeli visitors complained, justly, about the support to Iraq given by Yasser Arafat's Palestine Liberation Organization. According to Galia Golan, who was among the visitors, Mr. Nusseibeh promised to issue a statement condemning Iraq's use of terror missiles and reaffirming his support for a negotiated settlement between Palestinians and Israel. Hours later, he was in jail.

Why no trial? Security considerations alone cannot explain or justify not holding one. And it would certainly suit the political interests of Mr. Shamir's rightist allies for there to be a trial in which moderates like Mr. Nusseibeh could, if guilty, be publicly discredited. The lack of a trial invites the disquieting suspicion that the government's evidence is, at best, flimsy.

It is hard enough to discuss territorial compromise between Israelis and Palestinians when Scuds are flying overhead and Palestinians remain under 24-hour curfew. But when moderates like Mr. Nusseibeh are jailed as spies, then there is nobody to talk to. That too, of course, would perfectly suit Israeli hard-liners.

In war, what military briefers call "collateral damage" can extend to values. Israel's claim on American sympathies rests most solidly on its respect for law and democratic rights. It will be sad indeed if these rights become casualties, too.

— THE NEW YORK TIMES.

Backing Into Reform

Not voluntarily, President George Bush is going to make banking reform his most urgent domestic legislation this year. It is not voluntary because the bank deposit insurance fund is headed toward insolvency and appears likely to arrive there by the beginning of next year — an election year.

The administration's banking bill, scheduled to emerge soon, will be swept up in violent controversy. But some version of it will be forced to passage by the menace of the impending insolvency. The savings and loan disaster has demonstrated why an insolvent deposit insurance fund is intolerably dangerous. If there is no money in the fund to pay off depositors, the federal regulators will not be able to shut down failing banks — and their losses will continue to multiply.

So who bails out the insurance fund? Robert Reischauer, director of the Congressional Budget Office, warned the Senate Finance Committee this week that its losses over the next two years, assuming the recession is a mild one, may reach $13 billion. Who comes up with that $13 billion?

One possibility is to raise still higher the insurance premiums that the banks pay for deposit insurance or to impose other assessments on them. But those premiums and assessments would have to go very high — high enough to interfere with banks' ability to lend. And to recover quickly from the recession, the economy needs a banking system that lends on normal terms.

There is already some anxiety at the White House that the banks are holding back. "Sound banks should be making more sound loans now," Mr. Bush has exhorted them. That makes it risky to try to force the banks themselves to rescue the insurance fund. The other possibility is to allow the insurance fund to borrow from the Treasury with the money to be paid back (maybe) in better times. That idea is greeted with rage by people who see, not incorrectly, another raid on the taxpayer.

But the taxpayer has a much greater interest in a rapid economic recovery than in punishing banks. There will be much, much more in the banking bill than the rescue of the insurance fund. It apparently envisions a sweeping reform and renovation of the whole financial system. But the insurance fund and its troubles present the issue that will have to be resolved first.

— THE WASHINGTON POST.

The High Cost of Health

The cost of employee health insurance in the United States rose more than 20 percent last year for the second year in a row, according to a survey by a consulting firm. Another survey, by the Health Insurance Association of America, puts the increase at about 15 percent, but the head of the insurers' group concedes that "the problem is serious, no matter whose statistics you use."

Health care costs are the great rogue force in the U.S. economy. They now equal roughly $1 of every $9 Americans spend, and the share is rising; they are eating into the incomes — the ability to buy other goods and services — of all payers, including government. It is not just employers (and employees and customers, to whom they pass along the costs) who have a higher bill to pay. If trends continue, Medicare will be the government's largest domestic program by early in the next century, surpassing even Social Security; Medicaid is already the largest program for the poor as well as the fastest-rising major item in the budgets of most states.

Yet a mostly poor eighth of the population still lacks all health insurance. Millions of poor and near-poor Americans are not well cared for, and the costs of their care are as much avoided as met. As a society, America simultaneously spends too much and misses too many. The system needs reform; reform will come only when a determined administration focuses on and pushes for it, and not easily then; and this administration, not just for fiscal reasons, has thus far put the subject off.

In last year's State of the Union Message, the president asked his health and human services secretary for a review of the "quality, accessibility and cost of our nation's heath care system," saying, "I am committed to bring the staggering costs of health care under control."

The review is still under way, even as in some respects the federal government has exacerbated the problem. To protect itself as insurer, the government has placed new limits on what it will pay hospitals and doctors under Medicare. Employers and private insurers have taken similar steps, and the states, under pressure from Congress to cover more of the poor, have cut back Medicaid payment rates as well. Hospitals cannot shift costs as they used to; they end up not just overbuilt, as many are, but undercompensated. In many states they and other providers have gone to court to force Medicaid rates back up.

Reform may require increased spending, but it cannot consist just of that; it will require a reallocation as well. The matter is not going to be resolved in a single Congress or in a single presidential term. But the state of the union as to health care is not good.

— THE WASHINGTON POST.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, *Publisher*

JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* •

ROBERT J. DONAHUE, *Editor of the Editorial Pages* • REGINALD DALE, *Economic and Financial Editor*

RENÉ BONDY, *Deputy Publisher* • RICHARD H. MORGAN, *Associate Publisher* •
FRANÇOIS DESMAISONS, *Associate Director* • JUANITA I. CASPARI, *Advertising Sales Director* •
ROBERT FARRÉ, *Circulation Director, Europe*

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613995; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Richard D. Simmons

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. 472-7768. Tlx: RS56928
Mng. Dir. Asia, Rolf D. Kronquist, 50 Gloucester Rd., Hong Kong. Tel. 8610616. Telex: 61170
Mng. Dir. U.K., Garry Thorne, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009
Gen. Mgr. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069) 726755. Tlx: 416721
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

© 1991, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

OPINION

The Russian Exodus Ahead, and What to Do About It

By Leon Aron

WASHINGTON — The Gulf war has our immediate attention, but 1991 may become known as the Year of the Russian Immigrant. Indeed, the largest peacetime emigration of ethnic Russians to the West in history is likely to occur. The scale of the exodus may surpass even that of 1918-1920, when nearly 2 million Russians left Russia.

The exact number of would-be immigrants is unknown. However, according to Moscow News, 500,000 Soviet citizens applied for exit visas in the first six months of 1990. Only 41 percent were allowed to leave (Soviet law recognizes "family reunification" as the only legal basis for emigration). But the KGB chief, Vladimir Kryuchkov, estimated recently that exit visas for 1990 may nevertheless reach 460,000. At the present rate of rejection, this means that 1,112,000 Soviets applied to emigrate. And since the great majority of those allowed to leave were Jews, ethnic Germans and Armenians, it suggests that at least 652,000 ethnic Russians have applied to emigrate.

The impetus for this huge movement is no mystery. The Soviet Union ranks 77th in the world in terms of personal consumption; its people are among the poorest. The average Soviet citizen has to work 10 to 12 times longer than the average American to buy meat, two to eight times longer to buy bread. And conditions are only getting worse.

Meanwhile, the dissolution of the Soviet internal empire lends urgency to the issue of exodus. In all, 25.7 million ethnic Russians live outside the Russian republic. Increasingly, they feel like unwelcome foreigners, especially the 9.7 million living in Central Asia and Azerbaijan. From 1979 to 1989, 1,633,000 more people left the Soviet Central Asian republics than migrated in — most of them ethnic Russians, Ukrainians and Russian-speaking minorities. And the outflow of ethnic Russians is rising sharply.

In March 1990, officials numbered internal Soviet refugees at 500,000. Today, according to Galina Starovoitova, a people's deputy, there are more than a million domestic refugees.

Russia itself is incapable of accommodating the refugees. The most difficult problem is the housing shortage. In Moscow, where most of the refugees come seeking food and shelter, 344,800 families — 12 percent of the capital's population — are on the waiting list for housing.

Today a Soviet refugee is given one-time assistance of 100 rubles and 200 rubles worth of clothes and footwear — virtually nothing. Refugees sleep in offices or are sent to live at children's camps, where conditions are primitive.

A law under discussion in the Supreme Soviet for almost a year is expected to be passed by next summer. It will give every Soviet citizen the right to a passport, valid for five years, for travel anywhere. Once the restrictions to emigration other than for narrowly defined "risks to national security" have been removed, the floodgates will be open. Vladimir Sherbakov, chairman of the Soviet State Labor Committee, estimated that up to 3 million Soviet citizens will then head West. Some estimates are far higher.

This inevitable exodus poses a serious dilemma for the West. It may seek to restrict the flow, but short of resorting to barbed wire fences and border patrols, it is unlikely to stem it by much.

Most ethnic Russian refugees will travel to the West through Czechoslovakia, Hungary and Poland. The head of Poland's Office of Refugees, Colonel Zbigniew Skoczylas, said in December: "We are making arrangements for this as though it were a second Bolshevik Revolution. We expect Russians to come marching barefoot across the snow."

But the United States seems sure to be the first choice of emigrating Russians. Since October 1989, 600,000 Soviet citizens have picked up emigration forms from the U.S. Embassy in Moscow. As of last June, the Washington Processing Center had processed 150,000 family applications for emigration, representing between 375,000 and 500,000 people.

It is not too soon for the United States to begin thinking about a policy to govern the influx, a policy that should, of course, be guided by long-term U.S. interests. Chief among them is seeing the Soviet Union peacefully evolve toward democracy. If the millions of displaced ethnic Russians are left without hope in their homeland, the effect on the future of the Soviet Union will be devastating.

Current U.S. immigration laws offer little help; fewer and fewer Soviet citizens can demonstrate a "well-founded fear of persecution," and many will be unable to show that they have skills in short supply in the United States.

The United States must respond with a flexible and imaginative resettlement policy. Washington could, for example, develop a joint immigration strategy with Western Europe, which is likely to bear the initial brunt of exodus. Part of this could be accomplished through cost-sharing. The United States, with its tradition of welcoming immigrants and unsurpassed economic opportunities, would resettle the immigrants while West Europeans help defray the cost.

Second, a special "humanitarian immigrant" category could be added, to aid applicants from countries traditionally denied freedom to emigrate. Some form of public assistance, such as low-interest loans guaranteed by West European governments, may be advisable.

Finally, the United States and its European allies should offer short-term assistance to help resettle Soviet internal refugees who decide to stay in the Soviet Union.

The Russian exodus is an inevitable result of the collapse of the Soviet empire. Only two developments can halt it: restoration of totalitarian controls or a speedy economic and social recovery. What better chance is there for the U.S. administration to do something concrete about Soviet instability — by defusing one of its potentially most dangerous sources, the millions of destitute Russian emigrants?

The writer is senior policy analyst in Soviet studies at the Heritage Foundation. The article was adapted by The Washington Post from a Heritage Foundation Backgrounder.

Enough 'Restraint': Give Israel a Shot at Saddam

By Norman Podhoretz

NEW YORK — Much as I hate to pour cold water into the warm bath of approbation in which Israel's "restraint" has plunged it, the truth is that the Israelis have little choice.

To strike back at Iraq they need U.S. cooperation, in the form of such intelligence data as aircraft identification codes; otherwise, they run the unthinkable risk of getting into dogfights with American planes. So long as the United States refuses to give them this intelligence they will have to go on taking frequent hits from Iraqi missiles without doing anything in return.

The Israelis are happy to reap whatever benefits they can from this situation, not the least of which is a return to popularity after years of being hectored and sniped at.

Yet after 10 days in Jerusalem I can report that many Israelis suspect they are getting such a good press only because the world is more comfortable with Jews as passive victims to be wept over than as feisty warriors to be reckoned with.

They also worry about the damage their vaunted restraint may do to the deterrent effect of their heretofore invariable policy of making it clear to their enemies that Israel cannot be attacked with impunity.

Most of all, there has been an erosion of the confidence the Israelis originally felt in the U.S. ability to eliminate all the Scud launchers firing at their civilian population. No wonder they are now itching for a shot at this job.

So it would be good for Israel if the United States gave them that shot. But would it be good for the United States? Official Washington says no, that Israeli entry into the war would drive at least some of the Arab partners out of the coalition.

As it happens, the contribution of the Arab partners to the war effort has either been minimal (Saudi Arabia and Kuwait) or invisible (Egypt and Syria). Nor is it easy to understand why Americans seem to think these states have done them such a great favor in allowing the United States to defend them.

And why does Washington act as though it owes the most tender consideration to the concerns and sensibilities of a terrorist tyranny like Syria, while treating a democratic ally like Israel as an embarrassment?

The argument that Israeli entry into the war would shatter the coalition has become less convincing with each passing day. In the very act of joining with the Americans, whom they regard both as Israel's great protector and its docile instrument, the Arab partners implicitly declared that their fear of Saddam Hussein was greater than their hatred of the Jewish state. And ever since the Iraqi missile attacks on Israel began, all of them, including Syria, have explicitly said that they would not leave the coalition if Israel should retaliate.

If there is a problem it is not with the coalition but with supposedly neutral Jordan. If Israel were to retaliate it would have to fly over Jordan, and King Hussein, who sees no violation of his neutrality in the Iraqi missiles sailing through his airspace toward Israel, has warned that he will not tolerate Israeli war planes going in the other direction.

Whether he would make good on that threat remains unclear.

The other objection to giving the Israelis a shot at Iraq is that they would be unable to add anything significant to the coalition's efforts. Yet the Israelis are confident that they could do a better job of destroying the Scud launchers than the U.S.-led forces have done.

Israelis also think they could be more effective against the bunkers in which so many key targets (planes, command facilities, stockpiles of chemical and biological weapons) continue to find refuge.

The reason for this confidence is that the Israeli air force gets far more specialized training than does America's. For example, bomber pilots literally spend years preparing for a single mission — this airfield, that installation. They have munitions tailored for particular targets and the know-how to use them.

As the world learned from the rescue mission at Entebbe, the Israelis also excel at commando operations, and such operations could be another way of locating and taking out mobile Scud launchers.

The upshot is that by holding the Israelis back, America squanders a precious strategic asset. The deployment of this asset could help shorten the war by freeing up American planes for other missions. Better still, it could save American lives by increasing the chances of a victory through the use of air power alone.

It is time to stop praising the Israelis for their restraint and to start unleashing them to do what comes more naturally against Saddam.

The writer is editor in chief of Commentary. He contributed this comment to The New York Times.

From Bush, a Shift in Priorities Bordering on Heresy

By Jim Hoagland

WASHINGTON — George Bush delivered a State of the World address to Congress this week, offering a vision of an American future at home that depends on the role America is able and willing to play abroad.

Even for a foreign policy president, this is a remarkable admission. For a Republican president, it borders on political heresy. In its sweep and content, Mr. Bush's speech captured a generation of change and put the seal on the transformation of the Republican Party into the party of internationalism in American politics.

The once isolationist party of Robert Taft has become both presidential and internationalist in the past generation. The two changes are intimately related. Today the Democratic Party's leadership is as isolated from executive power and from a world role as the Republican Party was during the presidencies of Franklin Roosevelt and Harry Truman.

With American troops fighting in the Gulf, Mr. Bush had to center his second State of the Union address on his foreign policy accomplishments. The fact that he possesses no domestic accomplishments also contributed to this approach. But the way in which Mr. Bush described America's role in the world underlined a reversal of political and national priorities that even the president still grapples to identify and explain.

Mr. Bush's declaration that the United States must continue to bear "the burden of leadership" in world affairs and make the 100 years ahead "the next American century" invites comparison not to Ronald Reagan or even to Richard Nixon, but to John F. Kennedy's call to Americans in his Inaugural Address 30 years ago this month to "pay any price, bear any burden, meet any hardship" in the cause of liberty.

Since the Vietnam War, these are sentiments few Democratic politicians would feel comfortable voicing. Jimmy Carter's inept handling of Iran, of the Soviet Union and of the American economy have reinforced his party's insistence that foreign involvement must now be subordinated to more urgent domestic interests.

Without directly joining the issue, Mr. Bush sketched an alternative vision in which American society profits morally and economically from leading the founding of the new world order Mr. Bush sees supplanting the Cold War. A sharp turn inward would harm American interests, he suggested.

Twice in his speech Mr. Bush emphasized that increasing U.S. exports to the rest of the world was the key to ending the recession quickly. Trade with Japan, the European Community and the rest of the world is the key "to more real jobs and more real growth" at home and abroad, he said.

Mr. Bush repeatedly spoke of burden bearing instead of burden sharing, which became a major topic for Senator George Mitchell in the Democratic response to Mr. Bush.

Mr. Mitchell, of course, was playing defense against a wartime president. Even so, his response seemed remarkably subdued. The America that emerged from his words is one that is tired, in debt, more eager to lay down its external burdens than at any time in a half century. He presented the declinist view that Mr. Bush had preemptively dismissed.

Many Democrats believe today that their party was gravely wounded by the hubris contained in Mr. Kennedy's Inaugural Address and Lyndon Johnson's interpretation of it. That helps explain why Mr. Bush's America resembled Mr. Kennedy's vision far more than did the America described by Mr. Mitchell.

But the Democratic renunciation carries a cautionary meaning for Mr. Bush. He does well to recognize, as I believe he does, that while his rhetoric can be Kennedyesque during the war he will have to guide America into a far less expansive postwar role.

Mr. Bush faces an entirely different context than did the young Democrat. Mr. Kennedy embodied the confidence and vigor of a generation just coming to power at a time of decolonization and ideological conflict in the Third World.

Mr. Bush in fact belongs to that same generation. He and John Kennedy were veterans of combat in the Pacific. Mr. Bush's presidency, likely to be the last of a World War II veteran, effectively ends that generation's hold on power.

He will bequeath a changed world rather than embody it, as Mr. Kennedy hoped to do. The peace that Mr. Bush will identify America with in that world must be a more important part of his legacy than the war he is waging today.

The Washington Post.

A Baker Foul-Up, or Something Worse?

By A. M. Rosenthal

NEW YORK — The United States says that the decision to postpone the Moscow summit meeting had nothing to do with Mikhail Gorbachev's use of force to throttle the Baltic nations.

Do you believe that? Of course not. Everybody with an ounce of political sophistication knows it is a falsehood, and that congressional and public anger in the United States about the Baltic crackdown was at the heart of the Bush administration's decision.

All right, try this one:

The secretary of state and the Soviet foreign minister suddenly issue a joint statement. It is immediately interpreted around the world as changing the conditions for Saddam Hussein to climb out of his trap in Kuwait.

It seems to hint at new cease-fire possibilities based in part on Saddam Hussein's word. And most certainly it creates the link between the Gulf conflict and the Israeli-Palestinian struggle that Washington had said it would not accept.

Well, now the White House, reacting to the widespread astonishment, says there is nothing important in the statement, just an innocent announcement that somehow got misinterpreted by just about everybody.

Do you believe that? Some do, most don't.

And there you have the danger. At a time when it is essential for the American public and the world to understand precisely what the United States is doing politically in the Gulf and why, the word of the United States is becoming fuzzy, subject to different interpretations, and sometimes simply not believed.

That would be a grievous self-inflicted wound for a free country even in peacetime. In a war against dictatorship, clarity of intent and objective become the critical advantage for a free country. Lives can depend on it.

The White House, picking up the pieces strewn by Secretary of State James Baker, says there is nothing new in the statement, really. But the White House barely manages to swallow its anger at the way the Soviet-American communiqué was handled.

The statement was released about an hour before Mr. Bush delivered the State of the Union Message. He was unaware of the communiqué. It was quite different in tone from his staunch speech; he was blindsided.

But few people in Washington or other capitals are buying the line that the communiqué was innocuous and unimportant. Some editorial writers praise it as a new opening for Saddam Hussein to get out of the war while staying in power.

Certainly Moscow sees it that way and is boasting to the Arab world about its great triumph in Washington. Some administration officials even say that Mr. Baker might have agreed to the statement in order to give a present to his new Soviet counterpart, Alexander Bessmertnykh. Other diplomats and journalists, including myself, see this move as quintessentially dangerous. It created the impression that with victory in sight, but not yet in grasp, America was suddenly unsure of itself, of why the war was being fought and how to end it. Kind of an expensive present.

At best it was a Baker foul-up.

Even now, America is not being candid about war objectives. Suppose Saddam eventually surrenders Kuwait. Washington says that ends hostilities. Fine — but what about war crimes against Kuwait, Israel and coalition prisoners? And what about any war supplies he has on hand? Do we leave Iraq to use them again someday?

What troubles me most about the mysterious Gulf communiqué is that the administration does not seem to understand what almost every child knows. If you fail to tell the truth once, people will not believe you the next time. So there is a connection between what Washington says one day about canceling the Moscow meeting, how it explains the Baker stumble, if it was a stumble and not a leap, and what it does not say about what happens after the war.

It is fine for a diplomat to be clever. It is dangerous when he is too clever by half.

The New York Times.

What It Takes To Build a 'Dirty' Bomb

By Enrico Jacchia

ROME — Saddam Hussein recently repeated his threat to use "nonconventional" weapons against the forces allied against him. But while the Iraqis may have several missile warheads able to deliver poison gas, these would affect only a limited area. The Pentagon, meanwhile, confirmed recently that bombing raids of two nuclear reactors have practically obliterated any Iraqi nuclear capability.

But one question remains to be put definitively to rest. What about the 12.6 kilograms (27 pounds) of weapons-grade uranium fuel that the French delivered to Iraqis in the late 1970s? This is not a lot, but specialists have assured me it is enough to produce a so-called dirty nuclear explosion, which could cause major damage and release an enormous amount of radioactive contamination.

Why would Saddam do this? To blackmail neighboring countries and the allied forces in the Gulf region. Imagine the public reaction.

Despite the success of coalition bombing raids, the Iraqis still have a number of highly protected secret sites. Iraqi scientists and technicians may already have the bomb casing and the detonation device in their possession. It would take only a few days to fill the container with the weapons-grade material.

The operation, of course, requires skilled personnel. But in Leonid Brezhnev's time, when the Soviets delivered an experimental nuclear reactor to Baghdad, they trained dozens of Iraqi nuclear physicists and technicians in their atomic centers. And intelligence reports indicate that Saddam's nuclear ambitions have attracted a number of foreign scientists to his program.

Is it feasible, however, for Iraq to make a weapon from 12.6 kilograms of highly enriched uranium, considering that the Iraqis' nuclear skills, all in all, are limited? Most unclassified publications say it takes 15 to 25 kilograms for a nuclear explosion.

Several American specialists with long experience in nuclear-weapons design, who were consulted by this writer when he was the European Community's director of nuclear safeguards, expressed a different view. A lesser amount may suffice, they said, if certain design refinements are used in constructing the device.

It would be a very rough device and produce the kind of explosion of which a Los Alamos scientist would be ashamed. But it could serve Saddam's purposes well.

So while Iraq is probably years from possessing a nuclear arsenal, a "crude" device might be ready soon.

That adds special urgency to a comment President George Bush made about Saddam while touring the Gulf. "This," he said, "I know for sure: He has never possessed a weapon he did not use."

International Herald Tribune.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

100, 75 AND 50 YEARS AGO

1891: Alliance Is Secure

BERLIN — All the leading Berlin papers, in commenting on the retirement of Italy's premier, Signor Crispi, agree. Their editorials are quiet in tone, and express confidence in the maintenance of the Triple Alliance under any circumstances, although they consider that the future of Europe will be more uncertain if Italy should have a weaker Government. The same feeling prevails in political and governmental circles. No anxiety is felt, and as the Triple Alliance has survived the retirement of Prince Bismarck and M. Tisza, Signor Crispi's fall will not affect it.

1916: Foreigners at Risk

PETROGRAD — News from China is becoming disquieting. The Japanese consuls are demanding that a gunboat be sent into the Yang-Tse-Kiang, as the lives of foreigners are threatened. The Republican troops are advancing from the west of Tsc Tchuen and from the south of the Yun-nan. At the head of the troops of the Yun-nan is General Ten, a commander who is very popular and who received his military education in Tokio. The Mongolian insurgents here have crossed the Great Wall and are continuing their march on Peking.

1941: Transvaal Unrest

JOHANNESBURG — Rioting in which soldiers fought civilians suspected of anti-British sympathies have broken out in this Transvaal Province city. The wildest scenes occurred last night [Feb. 1] and today, when thousands of police and street fighters were involved. Police resorted to tear-gas, bombs, and baton charges. The disorders were traced to differences between soldiers and civilians, following a meeting Friday of the Ossewabrandwag, an organization standing for extreme republicanism and considered to be anti-British.

— From the New York edition of the New York Herald Tribune.

هكذا من الاصل

هكذا من الأصل

Lots of Money Chases Some Modest Wares

International Herald Tribune

LONDON — If the round of sales held on Wednesday here and in Paris are anything to go by, the lower end of the market is thriving and the French are doing at least as good a job as their English colleagues.

The focus in London was on English drawings and watercolors, a subject close to the heart of grassroots Britain. There were two sales, one at Sotheby's and a smaller one at Christie's South Kensington, both starting at the same time. There was no need for this. Not much is going on right now and Sotheby's had no other sale in the morning. But a new stridency is becoming audible in the competition between the two houses.

This may have been counterproductive, particularly for Sotheby's. What makes such early season sales attractive is the sheer quantity to chose from. Art lovers with limited means can reasonably hope to get a delightful piece on the cheap as attention flags while the auctioneer drones on. But it is necessary to attend in person and that could not be done at both sales this week. I chose the Sotheby's session. The room was full and there were many private buyers, occasionally betrayed by their bidding style, either hesitant or so stubbornly determined as to make them sitting ducks for any auctioneer eager to run them up to the reserve.

That game seemed to be played several times when only one bidder could be seen taking part, the price eventually getting close to the low estimate. Three small landscapes sketched by Anthony Devis in brown ink with touches of watercolor thus went for £770 ($1,500). Approximately 14 by 21 centimeters (5.5 by 8.25 inches) each, they had obviously been torn from sketchbooks. One was dated (1803) and two carried inscriptions identifying the locations, near Winchester. Charming, these were essentially of regional interest hence, in part, the lack of competition.

NO such excuse, however, can be invoked concerning Thomas Rowlandson's cartoons, the 18th century ancestors of modern comics. These were not great but quite amusing.

"The Orchard Robbers Detected" should have sold but did not. A man with flabby paunch and hamlike legs shaking his fist in rage tries to run after sprightly, impish children, some of whom are already jumping over the wall at the far end. With its yapping dog, likewise rippling with fat and snarling to no avail, the drawing is as good as anything in Rowlandson's oeuvre. It sums up his sense of cozily helpless absurdity. The hapless auctioneer may have felt like one of Rowlandson's characters as he

SOUREN MELIKIAN

brought down his hammer on a mythical £650 bid.

He had better luck with the next lot, "The Ballad Sellers." The draftsmanship is not nearly as good but the sarcasm is more acid. It gives the drawing more punch, which is what matters in such cartoons. The sellers in question anticipate the funny couples of the late French cartoonist Dubout — a formidable looking lady of vast proportions is seated on a bench, beer mug in hand, almost pushing her tiny companion off the edge. Grotesque bystanders peer at sheets of paper clipped to strings along the wall. Farther away, a foppishly dressed rake presses advances to a woman who firmly clutches the hand of her grinning brat as the latter tries to dance his way to liberty. The fun appealed to a lone bidder who fought it out against the reserve, up to £1,200 — £1,320 with premium.

Yet another lone bidder went up to £1,155 to get a very pleasing sketch, vividly done by David Cox, "Nr Kenilworth," as the artist noted. The next Cox was simply killed by its airy-fairy estimate, £2,500 to £3,000. No one showed any interest as the hammer went down at £1,000. A third drawing, of cavalrymen in a row about to charge, made £1,100. The composition is excellent, the atmosphere superbly caught of impending doom amid hills and under a threatening sky, and the price commensurately high. It would appear as such were it not for the steep £1,000 to £1,500 estimate.

At wide intervals the auctioneer seemed to make a concession. He let go one of the most enchanting watercolors, a very romantic landscape with sailing boats moored below a castle done in 1831 by François Louis Thomas Francia. Sotheby's thought, not without reason, that it should bring £600 to £800. A collector chuckled in delightful disbelief as he got his prize for only £385. With its delicate shades of grayish greens and blue, and its sizable format, 47.9 by 64 centimeters, it was a real bargain.

For Sotheby's, the day was saved, commercially speaking, by the vast section of Victorian and Edwardian watercolors, soppy and kitsch. The success of such ultra-academic scenes as Myles Birket Foster's "A Cottage in the Trossachs," sold for £11,000, says all about the vigor of the market, even if Sotheby's hoped to get anything from £10,000 to £15,000. With its picturesque thatched house and its flock of sheep trotting up a country lane, this is a suitable image for a post office calendar. So is Helen Allingham's £20,000 "Kentish Garden," enhanced by a better sense of color, but equally trite.

Pre-Raphaelite art, typified by Dante Gabriel Rossetti, with its wooden characters, hopelessly aiming at tragic effect, is as popular as ever. A study in pencil of two woman embracing each other, whose faces are meant to express the sadness of forbidden love and merely manage to look peevish, shot up to a steep £4,840.

An unspeakable dumb, Charles Edward Wilson's "Milkmaid on a Stile," dated 1907, sold for an eye-popping £4,620 although, yet again, not quite enough to please Sotheby's, which expected £5,000 to £7,000. It all culminated with Benjamin Walter Spiers's outsized watercolor, 68.5 by 122 centimeters, of what appears to have been an antique dealer's shop in 1882. Painted in minute detail, from a Japanese dish in Imari porcelain set on a low cupboard to the Smyrna rug thrown on the floor, it is of some documentary interest. Not even Sotheby's, whose ambitions oscillated between £5,500 and £7,700, got anywhere near guessing the final price — £35,200.

Unexciting as they may have been and hampered by their unrealistic estimates, the watercolors sold that day still added up to £306,911. The buy-in rate of 27.3 percent in value could have been a lot worse.

If London did well with its undistinguished wares, Paris outdistanced it by several lengths. The 155 Old Master paintings dispersed that same Wednesday by Jacques Tajan, of the Ader Picard Tajan group, followed by another 158 on Thursday, made up the most unglamorous assortment of odds and ends. These ranged from works in dilapidated condition to hosts of others vaguely attributed to "the circle of" or "the studio of" masters who for the most part were not themselves particularly well known.

TAJAN confesses that he had the jitters as he ascended the podium. Then, as he saw the vast space filled to capacity and as he managed to sell one improbable picture after another, he gradually took heart. It may sound like a joke, but two panels hopelessly peeling off despite extensive 19th century restoration, and vaguely ascribed to the "workshop of Paul Vergos," a 15th century Catalan primitive, cost their buyer an astounding 49,265 francs ($9,800). Nor is it particularly easy to sell, even for 56,695 francs, an 18th century Dutch still life in the style of the 17th century artist Jacob Marell.

Higher in the financial scale, Tajan made a few more difficult scores. The portrait of an evangelist by Claude Vignon, damaged along the lower edge and limp, brought 160,723 francs. Its quality is unquestionable but there are few buyers for such stern religious subjects. A pair of landscapes made as wall decorations by the 18th century Parisian artist Nicolas-Jacques Juliard went up to 118,263 francs.

Most stunning of all, the portrait of a little girl holding cherries "from the circle of François-Hubert Drovais" soared to 224,414 francs. Four out of five pictures went to private buyers. Indeed only amateurs spending money purely for pleasure would consider the still life in the manner of Marelle or the little girl with the cherries. By the end of the second day, the total sold exceeded 7 million francs with a failure rate just under 28 percent.

Throughout the week the message flashed by Paris sales was the same. Private buyers are spending a lot of money on modest wares.

"L'enfant aux cerises," got 224,414 francs in Paris.

Caspar David Friedrich's "Evening Landscape With Two Men": Man communing with unfathomable nature.

A Quintessential Romantic Painter

By Michael Kimmelman
New York Times Service

NEW YORK — Few romantic artists may seem more familiar — and are more elusive — than Caspar David Friedrich.

No artist embodies more fully than Friedrich the Romantic obsessions with death and mysticism. Friedrich's lonely figures whose backs have been turned toward the viewer, eyes fixed on the abyss, typify the Romantic hero, the solitary man communing with unfathomable nature.

Yet there is only one painting by Friedrich in the collection of an American museum, and until now there has never been an exhibition in the United States devoted to his work.

"The Romantic Vision of Caspar David Friedrich," at the Metropolitan Museum of Art in New York City, through March 31, brings together 20 paintings and drawings from Soviet collections.

Half a dozen woodcuts belonging to the Metropolitan and done by the artist's brother, based on Friedrich's designs, supplement the display. The show has been organized jointly with the Art Institute of Chicago, where it was first seen, in exchange for works lent to the Hermitage in Leningrad.

It hardly constitutes a retrospective. Virtually all the artist's important paintings are in German museums. Viewers in the United States have been given only glimpses of what Germany possesses by Friedrich. Surveys of 19th century German art — one that toured the country in 1970-71, and another that came to the Metropolitan in 1981 — included a few outstanding examples, as did an exhibition of drawings from East Germany, which came to the Morgan Library in 1988.

AMONG the Soviet works, many bought by the Russian imperial family, are a couple of paintings and as many drawings that must be considered crucial to the artist's achievement. One of these is "On the Sailboat," the painting from around 1818 that depicts a couple, perhaps Friedrich and his wife, perched on the prow of a boat whose billowed sails carry it swiftly toward a distant harbor. Another is "Window With a View of a Park," a drawing of unknown date that epitomizes Friedrich's exquisite draftsmanship.

Both of these works illustrate the minute distortions of perspective, the ambiguities of space, the curious positioning of the viewer in relation to the images that are typical of the artist.

Through such devices Friedrich suggests that his works represent not precisely what is seen but what has been reconstituted from memory. He achieves something of the same result through the unreal lighting of the landscape entitled "In Memory of the Riesengebirge."

The invocation of memory helps to endow his work with its mood of loss and longing. Friedrich's paintings have often been interpreted strictly as Christian allegories. But they speak most eloquently in a voice whose calculated imprecision and incompleteness are hallmarks of Romanticism.

If there are only a few splendid Friedrichs from the Soviet Union, this is nonetheless the sort of exhibition whose sum is greater than its parts. It should dispel any impression, fostered by reproductions that obscure the subtlety of his technique, that Friedrich was merely a stagy painter of esoteric Christian iconography.

His best paintings and drawings reveal themselves in actuality to be ravishing objects. The thin glazes be painstakingly applied to his canvases created a glassy, reflective sheen that cannot be reproduced in photographs.

No reproduction could capture the subtle unfolding of space in "The Nets," from darkened foreground to the stormy sea and clouded sky through which the moon can be partly made out, like an eye peering surreptitiously back at the viewer.

Nor could reproductions capture the shimmering pinks in Friedrich's rendition of two swans nesting. The dawn sky is visible only above the underbrush that commands most of the viewer's attention.

Friedrich's canvases convey portents that can barely be discerned or that must simply be imagined. There is always in his work the feeling of expectancy, of possibility, of some unseen object beyond the painting's borders.

If this is not the ideal Friedrich show, Americans may get no better chance to study him, unless Germany becomes more inclined to lend works by an artist who has become a national hero.

FRIEDRICH was not always so admired. Although Goethe was one of those who sang his praises, his popularity did not last. By the 1820s his work was unfashionable in Germany compared with the primitivism of the Nazarene painters and the heroic landscapes of artists like Joseph Anton Koch.

Increasingly bitter and misanthropic, Friedrich fell into virtual obscurity by his death in 1840, at the age of 65. His name did not appear in 19th century histories of German painting, and his canvases gathered dust in provincial storerooms.

Only after a Norwegian art historian discovered some of those canvases in a Dresden warehouse in 1890 did Friedrich's reputation begin to revive. A 1906 retrospective in Berlin of 100 years of German art, which included 50 works by the artist, inspired critics to hail him as a precursor of modernism.

As Joseph Leo Koerner recounts in a new book, "Caspar David Friedrich and the Subject of Landscape," reviewers "saw in his treatment of light and color an anticipation of Impressionism, while Friedrich's distinctly German sensibility and subject matter were celebrated as prophetic of an authentic national tradition whose triumph, these reviewers predicted, was still to come."

Alas, they were right. Friedrich's identity as a symbol of German nationalism reached a peak under the Nazis. "At this nadir of Western civilization," Koerner continues, "Friedrich's art is represented as having achieved its moment of greatest renown." Guilty by association, his reputation plummeted once more after the war, only to be revived another time by art historians like Werner Hofmann, Robert Rosenblum and Helmut Börsch-Supan.

"The Romantic Vision" thus comes not only when Friedrich's star is again ascendant but also when the art world is consumed by theoretical musing and ironical gesturing on an order rivaled only during Friedrich's day.

The ups and downs of his reputation testify to the complexity of his work.

Börsch-Supan conceived the paintings simply as Christian texts whose symbols demand deciphering, like Egyptian hieroglyphs. Others have seen in the artist's emphasis on lonely, wintry seascapes and graveyards — in what seems his equation of landscape with death — a reflection of Friedrich's mourning over the loss of his younger brother in an ice-skating accident.

STILL others have stressed the political roots in his work, his depiction of German settings and his reliance on sources like Dürer, to identify the nationalistic strain that became so important to the Nazis.

But Friedrich's work finally resists simple translation, as writers like Henri Zerner, Charles Rosen and Koerner have lately underscored. Viewers of his work become like the figures in "Evening Landscape With Two Men," pausing silently before a magnificent and indeterminate vista.

The figures stand to one side of the sunset that is at the center of the painting, as if expecting us to balance the scene, to complete the image. They are like alter egos, their loneliness and yearnings ours.

ART EXHIBITIONS

LONDON

The International SILVER & JEWELLERY FAIR and Seminar

Leading International dealers will be offering for sale jewellery and silver from all periods, of the highest quality at the

PARK LANE HOTEL
Piccadilly, London W1

8, 9, 10, 11 FEBRUARY 1991
Friday, Saturday, Sunday, 11 a.m. - 8 p.m., Monday, 11 a.m. - 6 p.m.

Charity Preview for Barnardo's on Thursday 7 February, 6:30-9:00 p.m.

Preview £50.00 Daily Admission £8:00 Lectures £14:00

For further information
ISJFS Ltd., 38 Burlington Gardens, London W1X 1LE
Telephone: 071-734 5491 - Fax: 071-494 4604

NEW YORK

The Art Show

To benefit the Henry Street Settlement
Organized by the Art Dealers Association of America

Friday-Tuesday, February 15-19, 1991.
Preview: Thursday, February 14, 1991.
Seventh Regiment Armory
Park Avenue and 67th Street, New York City
Friday through Monday, Noon to 8 p.m.
Tuesday, Noon to 6 p.m. Admission: $10

For information on Preview tickets call (212) 766-9200

AUCTION SALES

auction sales
IN FRANCE
PARIS

DROUOT RICHELIEU
9, Rue Drouot, 75009 Paris - Tel.: 48 00 20 20.

Thursday, February 7
Room 12 at 2 p.m. JEWELRY, SILVERWARE. Me MILLON-ROBERT. 19, rue de la Grange Batelière, 75009 Paris. Tel.: (1) 48 00 99 44 - Fax: (1) 48 00 98 58.

Thursday & Friday, February 7-8
Room 8 at 2:15 p.m. ARCHAEOLOGY - Egypt, Greece, Rome, Phoenicia. Me DELAVENNE-LABARGE. 12, rue de la Grange-Batelière, 75009 Paris. Tel.: (1) 42 46 28 35.

Friday, February 8
Room 1 at 2 p.m. IMPORTANT FURNITURE & OBJETS D'ART. Me MILLON-ROBERT. Tel.: (1) 48 00 99 44.

Tuesday, February 12
Room 8 at 2:30 p.m. MEDALS, ORDERS OF KNIGHTHOOD, DECORATIONS. Me RIBEYRE-BARON, 5, rue de Provence, 75002 Paris. Tel.: (1) 42 46 00 77. Fax: (1) 45 23 22 92.

Wednesday, February 13
Room 5 at 2 p.m. ISLAMIC ART, provenance from the Château de Bel-Air and various collections. Me BOISGIRARD, 2, rue de Provence, 75009 Paris. Tel: (1) 47 70 81 13. Fax: (1) 42 47 03 84.

Thursday, February 14
Room 5 & 6 at 8:30 p.m. IMPORTANT ABSTRACT & CONTEMPORARY PAINTINGS by Alechinsky, Appel, Bolanski, Cesar, Charchoune, Clavé, Dubuffet, Hartung, Lanskoy, Matta, Poliakoff... Viewing: February 14 from 11 to 6 p.m. Me LOUDMER, 45, rue La Fayette, 75009 Paris. Tel.: (1) 48 78 89 89. Fax: (1) 48 78 91 00.

LONDON

TWENTIETH CENTURY MASTERS
Arp, Boudin, Calder, Grosz, Hans Hofmann, Loiseau, Marval, Miro, Henry Moore, De Staël, Stamos, Sutherland, Valtat, Fritz Winter.

CRANE KALMAN GALLERY
178, Brompton Road, London SW3
Daily 10-6 Sats. 10-4.
Tel.: 071-584-7566 / 581-1592
Fax: 071-584-3843.

"ART EXHIBITIONS"
"ANTIQUES"
"AUCTION SALES"
appear every Saturday

THE ART SHOW

NEW YORK

isselbacher gallery
41 East 78th St, New York, N.Y. 10021
Tel.: 212-472-1766
Participating in The Art Show at the Seventh Regiment Armory. February 14-17, Booth 18.
Specializing in late 19th and 20th century graphics.

PARIS

Art International
The Tenth International Art Magazine
Advertising/Subscriptions
77 rue des Archives
75003 Paris
Tel.: 48 04 82 54
Fax: 48 04 82 60

Dining Out

AMSTERDAM

HAESJE CLAES
Real Dutch Cooking. Open from lunch until midnight. Spuistraat 275.
Tel.: 24 99 98. Reservations recommended.
All major credit cards.

FLENSBURG

CHEZ PAUL
"Hotel of the North"
* German/Danish Border * B 200
* Delicious French cuisine in one of the best and charming restaurants in Northern Europe. Phone 0461 - 7020.

PARIS 1st

L'ALSACE AUX HALLES
Shellfish. Fish. Choucroutes.
Day and night.
16, rue Coquillière. Tel.: 42.36.74.24.

PARIS 6th

YUGARAJ
Of all the Indian restaurants, this is by far the best & most authentic. (GAULT-MILLAU).
Closed Monday.
14, rue Dauphine. Tel.: 43.26.44.91.

PARIS 7th

CHEZ LES ANGES
In the Michelin Guide. Burgundy Spec. Gastronomical cooking. Cl. on Sun. eve. 54, Bld. Latour-Maubourg. Tel: 47.05.89.86.

THOUMIEUX
Specialties of the South-West. Confit de canard & cassoulet au confit de canard.
Open everyday. 79 r. St-Dominique.
Tel.: (1) 47.05.49.75. Near Invalides Terminal.

PARIS 8th

LE TAGORE DU BENGALE
The second "Tagore" in Paris. Mughal specialities. One of the best exotic foreign restaurants in France. 17, rue Treilhard.
Tel.: (1) 45 61 15 14.

PARIS 15th

LE TAGORE
The new Parisian Indian restaurant. Mughal specialities, surely one of the best among the foreign restaurants in France, two "Toques" in the Gault et Millau 1990. 25, Ave. du Maine. Tel.: 45.44.94.41.

LE WESTERN
The american restaurant in Paris. Formule Western F.Fr.230, bev. excl. Open daily. Tel. 42.73.92.00. Paris Hilton - 18, ave. de Suffren.

PARIS 17th

AL GOLDENBERG
Smoke herings - Pastrami - Cream cheese bagel and lox homemade - Cheese cake & all the trad. Jewish spec. 69 Av. de Wagram. Tel. 42.27.34.79. Every day up to midnight.

PARIS 17th

CHEZ FRED
Lyonnais bistro, traditional French cooking. Daily specialties. Closed Sundays, 190 bis, bld. Pereire, 75017 Paris. Tel.: 45.74.20.48.

ROME

DA MEO PATACCA
Trastevere. Rest. famous for fun food, music & folklore. 00153 Rome, Piazza De Mercanti 30. Tel.: 06-5816198, 5892193. Fax 582552.

VIENNA

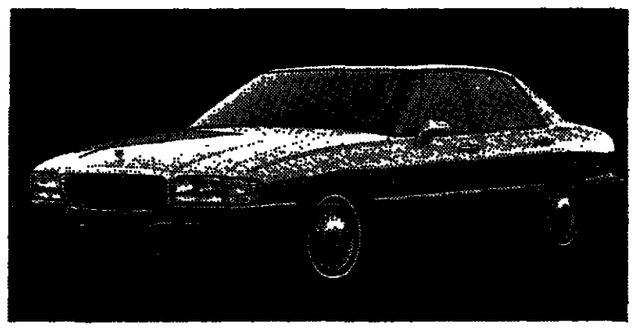
KERVANSARAY
Turkish & Int'l specialties, lobster bar, best seafood restaurant, 1st floor. Mahlerstr. 9. Tel.: 5128843. Air conditioned. 80 m. Opera. Noon-3 p.m. & 6 p.m.-1 a.m., except Sunday. Open holidays.

NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

Luxury has been redefined.
The new Buick Park Avenue.



You'll be impressed.

GM CHEVROLET PONTIAC Oldsmobile BUICK Cadillac

General Motors North American Vehicles at GM Service GmbH
Postfach 1362, D-6090 Rüsselsheim, Germany.

(Continued on page 11)

هكذا من الاصل

مكبرا من الاصل

Herald Tribune. International

BUSINESS/FINANCE

** SATURDAY-SUNDAY, FEBRUARY 2-3, 1991

ECONOMIC SCENE

Divergent Policies in U.S. Add to Monetary Muddle

By Leonard Silk
New York Times Service

NEW YORK — In his State of the Union message, President George Bush jawboned the banks and the Federal Reserve. "Sound banks should be making more sound loans," he said. "And interest rates should be lower, now." And the stock market surged on expectations that the administration would use its weight to break the credit crunch and bring rates down.

Indeed, in an interview, Alan Greenspan, the Federal Reserve's chairman, appeared to follow the president's line in saying the credit crunch had been "as severe as any supply-induced constraint ever, other than from policy actions."

In fact, the United States now seems to have two monetary policies: one conducted by the Fed, the other by private banks. The Fed's policy is loosening, the banks tightening.

The war makes it more difficult to stay on course toward recovery.

The Fed did hang tight until after Iraq invaded Kuwait in August. Mr. Greenspan blames the crisis for causing the recession. Critics of the Fed blame him.

Despite earlier efforts to coax the banks to lend more to fight the recession, the banks worry about their own survival and will not. Their complaint is that the regulators are making it too tough for them, marking many of their real estate loans down to zero and squeezing them for capital they do not have and cannot raise.

A result of the private monetary policy has been the credit crunch, which has cut money supply growth below the bottom of the Fed's target range.

An increase in bank lending is the mechanism by which business and consumer spending would increase and the money supply and its velocity would grow, thereby ending the recession.

Mr. Greenspan said a "necessary condition" of recovery would be for banks to get over their own crisis of confidence. Action by the Fed to cut rates, though one means of lifting banks' profits, may not be enough to break the credit crunch.

There are international forces, in any case, that could bar the way to a sharp fall in American rates now. "Investors may not have noticed that U.S. short-term interest rates have been the world's lowest since August," said Morris Offit, president of Offitbank, an investment management bank based in New York.

ON AUG. 31, three-month Euro-deposits were yielding 8 percent for the dollar, 8.38 percent for the Deutsche mark and 8.13 percent for the Japanese yen. Since then, the yield on the dollar has fallen to 6.88 percent, while the yield on the mark has risen to 9.13 percent and the yen has held firm at 8.13 percent.

In fact, the spread between American and foreign rates still appears to be widening. On Thursday, the German Bundesbank raised the rate at which it offers funds to the money market to 9 percent from 8.5 percent.

This is the first time that such an interest-rate environment, with foreign spreads well above American, has existed since 1973, when the dollar began to float — and floated downward.

A basic cause for the current spread in interest rates is that the U.S. economy has slid into a recession while the economies of Germany, Japan and other countries are expanding.

Germany and Japan are now facing internal capital requirements that will cause government spending to balloon, widening deficits and raising inflationary pressures that their central banks are seeking to check by tightening money and raising rates.

The widening spread in rates could cause billions of dollars in American assets to move overseas. That might worsen recessionary pressures at home and, at the same time, weaken the dollar.

Actions by Germany and Japan and other industrial countries to reduce their budget deficits, ease monetary policy and bring rates down — the prescription that foreign governments have long urged on the United States — would serve common interests

See CREDIT, Page 11

TWA Misses a Payment

But Airline Sees No Bankruptcy

The Associated Press

NEW YORK — Trans World Airlines Inc. said Friday that it will put off a $75.5 million bond payment because the financially troubled carrier needs to hang onto the cash in order to survive.

TWA said it had $200 million in cash on hand at the close of business Thursday, but was nonetheless suffering extreme blows to bookings as air travel has fallen off amid the recession and the Gulf war.

TWA's general counsel, Mark Buckstein, said the airline had "absolutely no intention" of filing for Chapter 11 protection from creditors.

TWA's chairman, Carl C. Icahn, issued a statement from his headquarters in Mt. Kisco, New York, that painted a bleak picture of his airline's health.

"While I am troubled by the need to withhold payment from certain of our creditors, I believe it is imperative for the survival of TWA," Mr. Icahn said. "The war in the Middle East has precipitated a 60 percent drop in bookings over the last year. It is now apparent that due to the war, summer vacation travel will be at its lowest level in decades."

Mr. Icahn also cited what he called the devastating effects of "high fuel costs, a falloff in leisure and business travel resulting from the recession, and fare wars that have affected the entire industry."

TWA said its cash on hand included $110 million received Thursday from American Airlines, which completed its purchase of TWA's Chicago-London route.

Following the announcement, Moody's Investor Services downgraded TWA's debt ratings, including $1 billion of long-term debt and $99 million of preferred stock.

■ **Diplomatic Row**

Steven Prokesch of the New York Times reported from London:

A dispute between the United States and Britain over transferring landing rights at Heathrow Airport from TWA and Pan American to American and United Air Lines has escalated into a major diplo-

See LANDING, Page 10

Banks Forge Murdoch Deal

Rescue Involves Rescheduled Debt and Asset Sales

By Leigh Bruce
International Herald Tribune

LONDON — Rupert Murdoch's News Corp. faces a year of management changes, financial restructuring and asset sales after bankers on Friday came to the rescue of the cash-strapped media giant, analysts said.

Some 150 banks agreed to reschedule $7.6 billion in debt and to provide a new short-term credit facility of $600 million.

Analysts pointed out that News Corp. was required under the accord to reduce its debt burden by $800 million in the next 12 months. At a time of economic downturn, the required asset sales would not be easy to achieve, the analysts warned.

Nonetheless, they said they were confident the debt agreement would provide Mr. Murdoch with the breathing space he needed to overcome his cash-flow problems.

"This is just the first step taken on the yellow brick road, but it does solve his long-term and short-term debt problem," said Ian Chalmers of Barclays de Zoete Wedd. "I think he has done very well in this agreement."

Mr. Murdoch said the accord was a "major strengthening of the company's financial condition" and that it would allow him "to concentrate on managing and developing all our businesses."

In the year ending in June 1990, News Corp. had revenue of 8.8 billion Australian dollars ($6.9 billion), up 12.2 percent over 1989. Profit was 282 million dollars, down 43.1 percent from the year before.

After financing heavy capital spending and expansion with short-term debt, Mr. Murdoch was forced to ask his bankers for help when the economic downturn and accompanying credit squeeze made impossible a roll-over of $3 billion in debt due between last September and June 1992.

The debt package followed the announcement of management changes on Thursday. Augustus Fischer was elevated from managing director of the group's European operations, News International PLC, to chief operating officer of News Corp. The News International chairman, Andrew Knight, and an American lawyer, Andrew Siskind, will join the group's main board along with Mr. Fischer.

A banker in the News Corp. syndicate expressed the consensus among analysts and creditors when he said the changes would "help assert better management control and a sounder spread of decision-making authority."

"Clearly the style has got to change," said John Reidy of Smith Barney, Harris Upham & Co. in New York. "Part of the reason they got out on this limb is the lack of internal financial controls."

A steering committee of about a dozen creditors has been set up to monitor progress of the group's financial restructuring.

The shares of News Corp. closed 10 Australian cents lower at 5.78 dollars on Friday in Sydney.

Under the agreement, News Corp.'s approximately 150 bankers agreed to extend payment of $7.6 billion in debt over a three-year period ending at the end of January 1994. The interest rate on the debt goes up by 1 percent and banks will receive additional fees.

The $600 million in new short-term credit to finance ongoing capital commitments is to be repaid by February 1992.

News Corp. is committed to reducing its debt burden by $800 million by February 1992 and by $400 million by the end of each ensuing six-month period. The reduction will be accomplished through a mixture of asset sales, equity issues and

See MURDOCH, Page 10

Reunification Leads to Drop in German Surplus

Compiled by Our Staff From Dispatches

BONN — The Economics Ministry said Friday that the pan-German trade surplus shrank last year, underscoring the effects of reunification and a worldwide economic slowdown.

The trade surplus declined to 110 billion Deutsche marks ($74 million) from 134.7 billion DM in 1989. The 1989 figure is for West Germany alone.

Germany's current-account surplus, which includes such trade in goods and "invisible" items, such as tourism, insurance and shipping, fell to 75.5 billion DM, its lowest level since 1985, Economics Minister Jürgen Möllemann said.

"A further reduction in the surplus is also expected in the near term," Mr. Möllemann said.

German unification was largely to blame for the dramatic decline in the German trade surplus. Five independent German economic forecasters predicted in November that this year it could fall further, to just 16 billion DM, as the economy grapples with the strain of unification.

Mr. Möllemann said unification had released an "enormous suction of imports" into Germany and this also opened up economic opportunities for its trading partners. In 1990, pan-German imports rose 10.1 percent from 1989. Exports were up 4.2 percent compared with those of the former West Germany.

Mr. Möllemann said this meant some countries increased their exports to Germany by 20 to 30 percent.

The strong domestic demand in Germany helped to stimulate growth in other European countries and helped to stabilize their economies, Mr. Möllemann said.

Germany has often been criticized by its international partners for its high trade surplus, which even exceeded Japan's last year. Defending itself against such accusations, Germany has argued that the surplus was primarily due to imports of German goods by other European countries.

"The latest development fully confirms this assessment," the ministry said Friday.

Mr. Möllemann said imports into former West Germany alone last year rose to 552 billion DM from 506.6 billion DM the previous year. Exports from western Germany rose to 650 billion DM from 641.3 billion. *(Reuters, AFP)*

Bundesbank Calms Markets

Reuters

FRANKFURT — The Bundesbank moved to calm markets on Friday after a rise in interest rates that is likely to isolate Germany further within the Group of Seven industrial nations.

A senior Bundesbank official, Karl Thomas, defended the unpopular monetary tightening, saying Germany was a special case. He also denied that the German move had contravened the consensus at last month's Group of Seven meeting that interest rates were heading upwards.

But bankers predicted that Germany would face increasing criticism from partners already angry at Bonn's lukewarm response to the allied war effort against Iraq.

"The Bundesbank has not formally broken the word of the G-7 statement. But it has not fulfilled the spirit," said Norbert Walter, chief economist of Deutsche Bank.

At the start of trading on the German money market Friday, interest rates soared after the rise Thursday in the Lombard emergency-funding rate to 9 percent from 8.5 percent. The central bank also raised its discount rate to 6.5 percent from 6 percent.

After short-term rates soared, the central bank quickly let the market know it was making a "massive injection of extra liquidity" to help bring the cost of overnight funds down again, banking sources said.

At first, the Bundesbank had surprised traders by withdrawing liquidity from the market via its regular tender for securities repurchase funds.

But a central bank spokesman then took the unusual step of announcing that the lower funds allocation reflected a cut in banking financing requirements this month.

"It was only then that the call money rate started to fall," said one money market trader. Interest rates on the overnight funds, fell to 8.78 percent at the end of trading after earlier rising above 9 percent.

The British brokerage UBS-/Phillips & Drew wrote in a commentary: "Excluding the Bundesbank, this was the interest rate hike that nobody wanted."

Mr. Walter added that he expected Germany to come under fire from European countries that would find it difficult to defend their currencies as German interest rates became more attractive.

EC Proposes Key Changes In Farm Support Program

The Associated Press

BRUSSELS — The European Community on Friday proposed a major overhaul of its farm subsidy program in a move that could help restart stalled world trade talks.

The proposal calls for tightening controls over soaring production of some crops by slicing price supports. It is an attempt to sever the automatic link between production and guaranteed prices, which has encouraged farmers to grow more to earn more. This has resulted in millions of tons of surplus crops and soaring budget costs.

But no specific cuts were mentioned in the document. The United States and other farm-exporting nations have demanded reductions of from 75 to 90 percent in the Community's support programs.

The Community's refusal in December to promise deep cuts in its support programs was blamed for the collapse of the Uruguay Round of trade negotiations, a 107-nation effort to revamp world trade under the General Agreement on Tariffs and Trade.

In Geneva, Arthur Dunkel, director general of the General Agreement on Tariffs and Trade, met separately with negotiators from the United States and the EC to try to narrow the gap on farm policies.

Japan's Woe: Labor Shortage

Compiled by Our Staff From Dispatches

TOKYO — The robust health of Japan's economy has unleashed a persistent labor shortage that has become a problem more worrying for businesses than the Gulf war or the recession in many parts of the world.

The Management and Coordination Agency underscored the problem Friday by reporting that unemployment averaged 2.1 percent in 1990, the lowest level in 10 years.

The labor shortage also is worrying Japan's policy makers.

The Bank of Japan warned earlier in the week that the tight labor market may put the brakes on the nation's booming growth, because wage increases could result in higher prices.

Economists said unemployment could edge up later this year in line with an expected slowdown in growth. But they said any rise in joblessness is likely to be modest, and it probably would not alleviate upward pressure on prices.

The unemployment rate in December was unchanged from the previous month at 2.1 percent, the management agency said. The average rate of 2.1 percent for all of last year was down from 2.3 percent in 1989 and the lowest since a rate of 2.0 percent in 1980, the agency said.

"The low jobless figure reflects steady economic expansion last year," said Yukio Kimura, general manager at the Wako Research Institute of Economics.

Higher oil prices and a tourism boom cut Japan's current account surplus. Page 13.

Average overall employment in 1990 climbed by 1.21 million, or 2 percent, to 62.49 million. It was the largest gain since a 1.27 million increase in 1955.

Last year the job market offered an average of 140 positions for every 100 job seekers, with 143 in December alone, according to statistics released Friday by the Labor Ministry.

Kenneth Courtis, an economic researcher here for Deutsche Bank, estimated that Japan currently has 1.6 million available jobs.

Some signs of easing in the labor market have appeared as economic activity slows. But in the long run the graying of Japan's population is sure to aggravate the problem.

Japan's 50 consecutive months of economic expansion, fed primarily by domestic consumer demand, is at the heart of the labor problem.

The drawbacks of steady growth are many: it inflates salaries and production costs, fuels inflation, overheats the economy, strains productive capacity and creates difficulties in satisfying demand for goods and services.

Employers have responded to the labor shortage by decentralizing away from major cities, shortening the work week, offering more part-time jobs and flexitime, and employing more women and elderly people.

Authorities are seriously considering delaying the retirement age to 65 from the current 55 to 60, and facilitating hiring of qualified foreign workers.

Companies also have invested heavily in boosting productivity through measures such as computerization and automation. *(AFP, Reuters, AP)*

Brazil Is Skeptical of Reforms

By Julia Preston
Washington Post Service

RIO DE JANEIRO — Brazilians reacted Friday with a little relief and a lot of skepticism to a new anti-inflation shock program unveiled Thursday night by Economics Minister Zelia Cardoso de Mello.

Wages and prices were frozen indefinitely. Fuel and electricity prices and public transportation fares were raised 46 percent or more. All fiscal indexes, by which rents, taxes and many service fees were pegged to increases in inflation, were abolished.

Friday was a bank holiday throughout Brazil.

Many Brazilians were relieved that the government had done something to halt a new inflationary spiral, in which prices soared by 20 percent in January. In March 1990, President Fernando Collor de Mello, in the first days of his term, sought to stop 2,700 percent hyperinflation with a program that froze for 18 months every savings account with more than about $1,000.

The new measures are seen as an admission by Ms. Cardoso that her radical plan to curb prices by limiting the cash in circulation has "turned to water," in the words of Delfim Netto, a former economics minister. And few people believe the new freezes will work for long. Prices in Brazil have already been frozen several times in the course of five anti-inflation packages over the last five years.

"We've seen this movie many times before," Mr. Netto said.

Many labor unions were outraged, claiming that in the past the government controlled wages but not prices. "The government has launched a very destructive missile at Brazil," said Carlos Calazans, a leader of the United Workers' Central, a national confederation.

The business community, by contrast, was cautiously positive. The measures also abolished a high-interest, daily-yield bank account known as the "overnight." Recently many Brazilians were shifting their savings into these accounts, making them unavailable for bank loans to industry.

But many economists noted the clash between Mr. Collor's professed free-market beliefs and the new plan's far-reaching government intervention.

The government pledged to cut its spending by $5 billion. But in 1990, Ms. Cardoso did not succeed in making huge promised cuts in Brazil's giant federal bureaucracy.

Brazil's new program came only two days after an inflation crisis and government shake-up in neighboring Argentina.

CURRENCY RATES

Cross Rates

Feb. 1

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.655	3.271	1.1272	0.3311	0.15 *	—	5.478 *	1.322	1.2585 *	1.425	1.797 *
Brussels	30.49	59.2215	20.533	6.053	2.7405 *	18.251	—	24.1005	0.231	26.25	32.05 *
Frankfurt	1.4881	2.908	—	0.2942	0.1333 *	0.8871	4.861 *	1.176	1.1225 *	1.2746	1.597 *
London (a)	1.9765	—	2.9047	9.8722	2,181.50	3.2770	59.83	2.4751	257.48	2.2855	182.86
Madrid	92.679	182.15	62.487	18.419	8.34 *	55.555	3.045	73.65	70.29 *	79.740	—
Milan	1,111.55	2,194.30	750.61	220.85	—	665.97	36.493	882.54	8.429	954.58	11.995
New York (b)	—	1.975 a	1.4882	4.996	1,105.00	1.6538	30.165	1.252	131.60	1.1598	91.995
Paris	5.0305	9.887	2.2982	—	0.4527 *	3.015	0.1652	3.995	3.8146 *	4.328	5.4275 *
Tokyo	131.30	258.67	88.78	26.11	0.1181	78.78	4.3177	104.33	—	113.89	1.4065
Toronto	1.1594	2.2906	0.7806	0.2321	1.05 *	0.7011	3.839 *	0.9252	0.8823 *	—	1.26 *
Zurich	1.254	2.4742	0.8528	0.251	0.1134 *	0.752	4.1487 *	—	0.9539 *	1.08	1.3579 *
1 ECU	1.3839	0.7045	2.049	6.9638	1,530.20	2.3095	42.15	1.748	182.674	1.6077	128.359
1 SDR	1.408	0.7314	2.1283	7.2337	1,598.33	2.3998	43.7967	1.8097	188.804	1.6602	133.369

Closings in Amsterdam, London and Zurich, fixings in other centers. New York closing rates and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	9358.0	Greek drac.	157.05	Mex. peso	2945.00	S. Afr. rand	2.5345
Austral. $	1.2827	Hong Kong $	7.7938	N. Zealand $	1.6714	Soviet ruble*	0.5518
Austr. schil.	10.41	Indian rupee	18.692	Norw. krone	5.788	Swed. krona	5.534
Brazil cruz.	228.00	Indo. rupiah	1885.01	Phil. peso	27.22	Taiwan $	26.63
Chinese yuan*	5.2221	Irish £	1.8870	Port. escudo	130.50	Thai baht	25.15
Danish krone	5.691	Israeli shek.	1.9789	Saudi riyal	3.7502	Turkish lira	2990.00
Egypt. pound	2.9173	Kuwaiti dinar	n.a.	Sing. $	1.7385	UAE dirham	3.6725
Fin. markka	3.576	Malay. ring.	2.695	S. Kor. won	718.00	Venez. boliv.	50.08

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.9557	1.9448	1.9337	Canadian dollar	1.1662	1.1698	1.1725
Deutsche mark	1.4746	1.4719	1.4690	Japanese yen	131.14	130.96	130.86
Swiss franc	1.2564	1.2551	1.2540				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits

Feb. 1

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	6⅝-6¾	8⅞-9	8¼-8⅜	13 15/16-14 1/16	9⅞-10 1/8	7 13/16-8 1/16	9⅞-10	8⅜
2 months	6⅝-6¾	9-9⅛	8¼-8⅜	13 15/16-14⅛	9 15/16-10⅛	8⅛-8¼	10-10⅛	8⅜
3 months	6⅝-6¾	9 1/16-9 3/16	8¼-8⅜	13⅞-14	10 1/16-10¼	8⅛-8¼	10⅛-10¼	8½
6 months	6⅝-6¾	9 1/16-9 3/16	8⅛-8¼	13¼-13 3/8	10⅛-10 5/16	7 15/16-8 1/16	10¼-10⅜	8½
1 year	6 11/16-6 13/16	9 1/16-9 3/16	8-8⅛	12⅞-13	10 3/16-10⅜	7⅝-7¾	10 5/16-10 7/16	8½

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

Feb. 1

	Close	Prev.
United States		
Discount rate	6.00	6½
Prime rate	9.00	9½
Federal funds	6½	10.00
Com paper 91-179 days	6¼	6.60
3-month Treasury bills	6.08	6.19
6-month Treasury bills	5.97	6.19
1-year Treasury bills	5.91	6.12
30-year Treasury bond	8.09	8.20
2-month CD's	6.30	6½
3-month CD's	6.30	6½
Japan		
Discount rate	6.00	6.00
Call money	7 29/32	8 1/32
2-month interbank	8 1/16	8 1/16
3-month interbank	8 1/32	8 1/32
Germany		
Discount rate	6½	6½
Lombard rate	9.00	9.00
Call money	8.85	8.55
1-month interbank	8.98	9.00
3-month interbank	9.20	9¼
6-month interbank	9.30	9.40
Britain		
Bank base rate	14.00	14.00
Call money	13⅞	14.00
3-month interbank	13⅞	14.00
6-month interbank	13½	13 9/16
France		
Intervention rate	9¼	9¼
Call money	9⅞	9 13/16
1-month interbank	10.00	9⅞
3-month interbank	10⅛	10.00
6-month interbank	10 3/16	10 1/16

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits

Feb. 1

1 month	6 15/16-7 1/16
2 months	7-7⅛
3 months	7-7⅛
6 months	7-7⅛
1 year	7 1/16-7 3/16

Source: Reuters.

U.S. Money Market Funds

Feb. 1

Merrill Lynch Ready Assets
30-day average yield: 7.04
Telerate Interest Rate Index: 6.519

Source: Merrill Lynch, Telerate.

GOLD

Feb. 1

	A.M.	P.M.	Ch'ge
Hong Kong	366.55	366.95	—2.30
Luxembourg	368.25	—	—1.60
Paris (12.5 kilo)	367.31	369.74	—0.85
Zurich	366.65	363.75	—2.00
London	367.95	364.50	—1.50
New York	—	365.55	+0.20

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

ADVERTISEMENT

MAKITA ELECTRIC WORKS, LTD.
(CDRs)

The undersigned announces that as from February 18, 1991 at Kas-Associatie N.V., Amsterdam, div. cp. no. 47 (accompanied by an "Affidavit") of the CDRs Makita Electric Works, Ltd. will be payable with Dfls. 4,90 per CDR, repr. 50 shs. and with Dfls. 98,00 per CDR, repr. 1.000 shs. (div. per record-date 30.09.1990; gross Yen 9,— p.sh.) after deduction of 15% Japanese tax = Yen 67,50 = Dfls. 0.86 per CDR, repr. 50 shs., Yen 1.350,— = Dfls. 17,20 per CDR, repr. 1.000 shs. Without an Affidavit 20% Jap.tax = Yen 90,— = Dfls. 1.15 per CDR, repr. 50 shs., Yen 1.800,— = Dfls. 23,00 per CDR, repr. 1.000 shs., will be deducted. After 31.03.1991 the dividend will only be paid under deduction of 20% Jap. tax with Dfls. 4,61; Dfls. 92,20 repr. resp. 50 and 1.000 shs., in accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 30 January, 1991.

ADVERTISEMENT

MATSUSHITA ELECTRIC INDUSTRIAL CO., LTD.
(CDRs)

The undersigned announces that as from February 18, 1991 at Kas Associatie N.V., Amsterdam, div.cp.no. 41 (accompanied by an "Affidavit") of the CDRs Matsushita Electric Industrial Co., Ltd. will be payable with Dfls. 5,45 per CDR, repr. 100 shs. and with Dfls. 54,50 per CDR, repr. 1.000 shs. (div. per rec-date 30.09.1990; gross Yen 5,- p.sh.), after deduction of 15% Japanese tax = Yen 75,- = Dfls. 0.96 per CDR, repr. 100 shs., Yen 750 = Dfls. 9,60 per CDR, repr. 1.000 shs. Without an Affidavit 20% Jap. tax = Yen 100 = Dfls. 1.28 per CDR, repr. 100 shs., Yen 1,000 = Dfls. 12,80 per CDR, repr. 1,000 shs. will be deducted. After 31.03.1991 the div. will only be paid under deduction of 20% Jap.tax with Dfls. 5,13; Dfls. 51,30 repr. resp. 100 and 1.000 shs. each, in accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 30 January 1991.

STAATLICHE NORDWESTDEUTSCHE KLASSENLOTTERIE

INCREDIBLE BUT TRUE

Germany's old established
Government guaranteed State Lottery,
the Nordwestdeutsche Klassenlotterie
is offering you a great opportunity. The next
lottery will start March 28th and will last
for 6 month.

440,056 guaranteed winners out of only 1,100,000 tickets sold
Incredible odds. More than every third ticket
a sure winner. Our total payout is more than

387 Million D-Mark

equivalent to about 267 Million U.S. Dollars.
Imagine, with every ticket you buy
you participate in 26 weekly draws.
You have 26 chances of becoming a

Millionaire overnight. We have
made many Millionaires.

All prizes are tax-free in Germany.
Any prize amount will be paid immediately
in one lump sum in any currency.
Strictest confidence. Don't delay.
Order your ticket(s) today from your official State
Lottery Agent:

CHRISTIAN SCHIPPMANN
P.O.Box 60 16 29, 2000 Hamburg 60, Germany
Tel.: ..4940/632 904 77 · Fax: ..4940/632 904 30

Please fill in the number of tickets you want to order:
☐ 1/1 ticket(s) £ 264.- or US $ 516.- or DM 744.- each
☐ 1/2 ticket(s) £ 138.- or US $ 270.- or DM 384.- each
☐ 1/4 ticket(s) £ 72.- or US $ 144.- or DM 204.- each
Mr/Mrs/Miss ____
Street ____
City ____
Country ____ Postal Code ____
Valid only where legal

US $ and £ price are subject to the rate of exchange. Prices for all 6 classes including air mail postage and monthly list of winners. On credit card payment a handling fee of 6% will be added.
No additional charges.
☐ I enclose cheque with my order
☐ Access/MasterCard/Eurocard
☐ American Express ☐ Visa
Account No. ____
Expiry date ____
Date/Signature of cardholder
8672

MARKET DIARY

Wall Street Mixed After Fed's Move

Compiled by Our Staff From Dispatches

NEW YORK — Stocks closed mixed Friday in very heavy trading on the New York Stock Exchange, as a discount-rate cut allowed most stocks to overcome early weakness tied to January jobs data.

The Dow Jones industrial average, which jumped 23.27 points

N.Y. Stocks

Thursday, lost 5.70 to close at 2,730.69.

Broader market gauges also fell. The New York Stock Exchange composite index eased 0.19 to 187.40 and the Standard & Poor's 500-stock index lost 0.88 to 343.05.

Advances led declines by a more-than 5-3 margin, however. Big Board volume rose to 246.67 million shares from 204.24 million Thursday.

Stocks opened lower and fell steadily in early trading after a much weaker-than-expected report from the Labor Department, which showed the jobless rate rose to 6.2 percent in January as nonfarm payrolls tumbled.

The news sparked fears that the recession may not be as short as people had come to believe. The Dow was down more than 25 points at its low.

Subsequently, however, the market recovered as the Federal Reserve cut the discount rate, which major banks followed up on by cutting their prime rates by a half point to 9 percent.

USX Corp. traded actively, easing 1¾ to 29½ as investors reacted with uncertainty over the firm's announcement Friday that it will issue separate shares for its steel division.

Marriott Corp. rose 2¾ to 13 after the company said it had obtained interim bank financing and was delaying or cancelling certain construction starts. *(UPI, Reuters)*

U.S. Data and Rate Cut Send Dollar Tumbling

Reuters

NEW YORK — The dollar fell Friday in response to weak U.S. economic data and the Federal Reserve's discount-rate reduction, but rumors of central bank intervention and profit-taking kept it from plunging to new lows, traders said.

The dollar closed at 1.4682 Deutsche marks, down from 1.4804 at

Foreign Exchange

the opening and 1.4765 at the close Thursday. It also ended at 131.60 yen, down from 131.95 at the opening but up from 131.25 Thursday.

"The dollar's looking sick," said Stephen Jury, chief dealer at Chemical Bank. "But the market was already quite short" of dollars, so traders grew reluctant to keep selling, he said.

The dollar took a number of blows, beginning with the announcement at the opening of trading that U.S. nonfarm payrolls fell an unexpected 232,000 in January.

"The dollar immediately plummeted but was then bought back aggressively on *profit-taking*," Mr. Jury said.

About 50 minutes after the opening, the Fed cut its discount rate by a half point to 6.0 percent. About 40 minutes later, the National Association of Purchasing Management revealed that its index of economic conditions fell in January to the lowest reading *since May 1982.*

The dollar hit an intraday low of 1.4645 DM. Dealers in Europe said the record low of around 1.4630 DM proved too hard to break.

Unsubstantiated rumors of central bank intervention helped inspire profit-taking, dealers said.

Traders in London said the Bank of England bought pounds for marks, and the Bundesbank confirmed that it did the same.

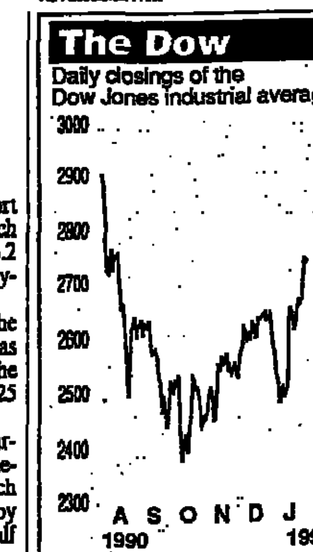
The dollar fell in London to 1.4700 DM from 1.4810 Thursday.

In New York, the dollar also closed at 1.2520 Swiss francs, down from 1.2570 Thursday, and at 4.9960 French francs, down from 5.0220. The pound rose to $1.9750 from $1.9665.

Via Associated Press Feb. 1

The Dow

Daily closings of the Dow Jones industrial average



IHT

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
USX	43242	31	29⅛	29½	—1¾
RJR Nb n	42260	5⅝	5½	5⅝	
PhilMr	30785	57⅛	55⅝	56⅞	+1¼
Chase	25438	12⅞	11⅞	12⅝	+ ⅞
Marriot	25240	13½	12	13	+2¾
GnMotr	24611	36⅝	35⅞	36⅛	— ⅛
McDonl	24358	29⅞	28½	29⅝	+ ⅛
RJR Nb wi	22767	6¼	5⅝	5⅝	— ½
FordM	22436	29⅞	28⅞	29⅞	+1½
GenEl	22336	64⅞	63¼	64	
Boeing s	22190	50⅝	48⅝	49⅝	+ ¾
Citicorp	22132	13⅝	12⅝	13⅝	+1
AT&T	20813	32⅝	31½	31½	—1⅛
IBM	19191	127⅛	125⅝	126⅝	+ ⅛
FedNM	19042	41⅛	39⅛	40⅞	+1

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
Hilhav	6111	1⅞	1⅝	1¾	
ComCr	5592	17⅞	16⅞	17⅞	+ ⅞
BAT In	4863	12⅞	12⅝	12⅞	+ ⅛
FruitL	3279	10¼	10	10⅛	
viCntAr	3165	2⅛	1⅞	2	— ⅛
A-atf2 sc	3134	5⅛	4⅞	5	— ⅛
BolrPh	3126	3⅞	3⅝	3⅝	+ ⅛
A-ma sc	2732	30⅛	28½	29⅞	+1¼
DowC rt	2664	5½	5⅛	5¼	— ⅛
HtaMd	2301	3½	3⅛	3½	
Amdhl	2296	15⅞	15⅛	15½	— ⅜
EksNk wt	2266	8⅞	8⅛	8⅞	+ ¼
WangB	2218	2⅛	2⅛	2⅛	
A-ge sc	2208	6⅞	5⅞	6½	
NY Tim	2061	22⅛	21⅞	22¼	— ⅜

NYSE Diary

	Close	Prev.
Advanced	1024	1088
Declined	603	572
Unchanged	422	431
Total Issues	2049	2091
New Highs	108	80
New Lows	7	13

Amex Diary

	Close	Prev.
Advanced	381	363
Declined	217	207
Unchanged	205	230
Total Issues	803	800
New Highs	26	24
New Lows	13	12

NASDAQ Diary

	Close	Prev.
Advanced	1,197	1,260
Declined	691	642
Unchanged	2,257	2,244
Total Issues	4,145	4,146

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2735.15	2764.60	2694.31	2730.69	— 5.70
Trans	1068.05	1073.87	1050.78	1063.47	— 5.64
Util	206.87	208.00	204.48	205.36	— 1.38
Comp	981.85	989.23	966.57	977.78	— 3.70

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	407.43	401.83	405.10	—1.43
Transp.	264.94	262.01	264.07	—0.58
Utilities	138.76	137.82	137.91	—0.65
Finance	25.60	25.06	25.50	+0.27
SP 500	344.90	340.37	343.05	—0.88
SP 100	326.50	322.23	324.47	—1.34

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	187.98	186.03	187.40	—0.19
Industrials	234.83	232.40	233.62	—0.57
Transp.	159.51	158.23	159.40	—0.35
Utilities	89.12	88.78	88.78	—0.24
Finance	131.54	129.45	131.27	+1.50

NASDAQ Indexes

	High	Low	Close	Ch'ge
Composite	418.99	413.45	417.69	+3.49
Industrials	465.13	457.37	463.26	+4.48
Finance	381.77	377.69	381.14	+3.73
Insurance	482.61	476.87	479.78	+1.27
Utilities	534.74	529.10	532.33	+0.18
Banks	272.52	268.10	272.25	+4.68
Transp.	470.00	463.90	466.05	+3.09

AMEX Stock Index

High	Low	Close	Ch'ge
319.04	317.30	319.03	+1.49

Dow Jones Bond Averages

	Close	Ch'ge
20 Bonds	93.22	+0.38
10 Utilities	95.10	+0.56
10 Industrials	91.34	+0.19

Market Sales

NYSE 4 p.m. volume	246,670,000
NYSE prev. cons. close	244,193,920
Amex 4 p.m. volume	13,200,000
Amex prev. cons. close	14,780,000
NASDAQ 4 p.m. volume	168,220,100
NASDAQ prev. 4 p.m. volume	177,261,700
NYSE volume up	117,493,000
NYSE volume down	88,686,500
Amex volume up	6,289,300
Amex volume down	4,811,300
NASDAQ volume up	n.a.
NASDAQ volume down	n.a.

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	Short*
Jan. 31	511,169	760,742	67,919
Jan. 30	460,664	619,138	41,844
Jan. 29	482,329	702,386	85,540
Jan. 28	489,576	541,665	23,576
Jan. 25	500,718	631,312	47,164

S&P 100 Index Options

Feb. 1

Strike Price	Calls-Last Feb	Mar	Apr	May	Puts-Last Feb	Mar	Apr	May
265	59½	60⅞	—	—	⅛	⅜	—	—
270	—	—	—	—	⅛	⅜	—	—
275	49½	—	—	—	⅛	⅝	—	—
280	44½	44⅞	—	—	¼	1⅛	2⅜	—
285	39⅛	—	—	—	⅜	1⅜	2⅝	—
290	35	35½	38⅝	—	½	1⅞	3⅜	4⅝
295	29½	31¼	—	—	⅝	2⅜	4	—
300	24½	26⅝	30	—	¾	2⅝	4⅝	6
305	19⅞	22	25⅝	—	1	3⅜	5⅝	—
310	15¼	18½	21½	—	1⅛	4⅜	6⅝	8
315	10½	14⅝	17½	—	2⅛	5⅝	7⅝	—
320	6⅝	10⅝	14⅝	17	3⅜	6⅝	9½	11
325	3⅝	7⅝	11	—	5¼	8⅝	11⅞	—
330	1¼	5⅜	8	9⅝	8⅝	11½	13	15
335	⅜	3⅜	5⅝	—	13	15¼	16⅝	—
340	1/16	1⅝	4	5½	17½	—	19⅝	—

Calls: total vol. 161,365; total open int. 330,251
Puts: total vol. 145,158; total open int. 458,397

	Dec 92	Dec 93	Dec 92	Dec 93
27½	7	—	1⅝	—
30	5¼	—	2⅝	—
32½	3⅝	—	3⅝	—

Calls: total vol. 14; total open int. 4,956
Puts: total vol. 1,981; total open int. 28,486
Source: CBOE.

Currency Options

Feb. 1

PHILADELPHIA EXCHANGE

Option & Underlying	Strike Price	Calls—Last Feb	Mar	Jun	Puts—Last Feb	Mar	Jun
31,250 British Pounds-cents per unit.							
Pound	177½	r	r	r	r	r	0.80
197.50	185	r	r	r	r	r	2.20
197.50	190	r	r	r	r	0.85	3.80
197.50	192½	r	5.35	r	0.33	1.48	r
197.50	195	2.80	r	r	0.88	2.50	r
197.50	197½	1.36	r	r	1.85	3.75	r
197.50	200	0.50	1.43	r	3.45	r	r
197.50	202½	0.15	0.70	r	r	r	r
197.50	205	r	r	1.50	r	r	r
50,000 Canadian Dollars-cents per unit.							
Dollr	83	r	r	r	r	r	0.36
86.22	85	r	r	r	r	0.26	r
86.22	85½	r	r	r	0.17	r	r
86.22	86	0.31	r	r	0.29	0.72	1.60
86.22	86½	r	0.23	r	r	1.00	r
86.22	87½	r	0.07	r	r	r	r
86.22	88	r	r	r	r	2.20	r
62,500 German Marks-cents per unit.							
Mark	62	r	r	r	r	r	0.27
68.14	64	r	r	4.32	r	r	r
68.14	64½	r	r	r	s	r	0.12
68.14	65	r	3.14	r	r	r	0.18
68.14	65½	r	r	r	s	0.05	0.30
68.14	66	2.14	2.13	2.03	0.07	0.32	r
68.14	66½	r	r	r	s	0.13	0.44
68.14	67	1.32	1.50	2.25	0.22	0.56	1.68
68.14	67½	0.54	r	r	s	0.50	0.82
68.14	68	0.63	0.96	1.70	0.52	0.94	r
68.14	68½	0.35	r	r	s	0.81	1.32
68.14	69	0.28	0.58	1.26	r	r	r
68.14	69½	0.13	r	r	r	r	r
68.14	70	0.09	r	r	r	r	r
68.14	72	r	r	0.54	r	r	r
6.25 mill Yen-100ths of a cent per unit.							
Yen	69	r	r	r	r	r	0.30
76.04	73	r	r	r	r	0.31	1.06
76.04	73½	r	r	r	s	0.12	r
76.04	74	r	r	r	r	0.18	r
76.04	74½	r	r	r	s	0.22	r
76.04	75	r	r	r	r	0.33	r
76.04	76	0.75	1.30	2.01	0.73	1.26	2.25
76.04	76½	0.56	r	r	s	r	r
76.04	77	0.40	r	r	r	r	r
76.04	77½	0.23	0.69	r	s	r	r
76.04	78	0.18	0.56	r	r	r	r
76.04	78½	r	0.43	r	s	r	r
76.04	80	r	0.19	r	r	r	r
76.04	83	r	r	0.38	r	r	r
76.04	84	r	r	0.24	r	r	r
62,500 Swiss Francs-cents per unit.							
Franc	73	r	r	r	r	r	0.37
	75	r	r	r	r	0.12	r
	78	r	r	r	0.28	r	r
	80	r	1.03	r	0.80	r	2.46
	80½	0.38	r	r	s	r	s
	81	0.28	0.65	r	r	r	r
	83	r	0.26	r	r	r	r

Total call vol. 25,118; Call open int. 286,804
Total put vol. 38,842; Put open int. 397,830
r—Not traded. s—No option offered.
Last is premium (purchase price).

Dividends

Company	Per	Amt	Pay	Rec
REDUCED				
SocForSvgsBancrp	Q	.07½	3-1	2-14
USUAL				
Amer Fructose A&B	Q	.10	2-27	2-13
Club Med Inc	S	.15	2-28	2-12
Golden Poultry	Q	.01	2-28	2-14
Hercules Inc	Q	.56	3-25	3-1
Kaufman&Broad	Q	.07½	2-26	2-15
Market Facts Inc	Q	.08	2-15	2-11
Michael Foods Inc	Q	.07½	2-19	2-5
Northwest Teleprod	Q	.09	3-29	3-1
Pennsylvania Entrp	Q	.55	3-15	3-1
Quaker State Corp	Q	.20	3-15	2-15
Sara Lee Corp	Q	.23½	4-1	3-1
Scripps (EW) cl-A	Q	.10	3-8	2-22
Yellow Freight Sys	Q	.23½	2-25	2-11

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.666	0.667
Coffee, lb	0.83	0.83
Copper electrolytic, lb	1.1905	1.1785
Iron FOB, ton	213.00	213.00
Lead, lb	0.33	0.33
Silver, troy oz	3.835	3.815
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	105.17	105.17
Tin, lb	3.6571	3.6745
Zinc, lb	0.5771	0.585

European Futures

	Close		High	Low	Prev. Close	
SUGAR (FOX) U.S. Dollars per metric ton-lots of 50 tons						
Mar	199.40	199.60	199.60	194.00	194.20	194.80
May	201.60	201.80	201.40	194.20	196.40	197.40
Aug	206.80	207.00	206.60	201.40	201.60	202.40
Oct	206.80	207.00	206.60	202.00	201.00	202.00
Dec	206.80	208.20	203.00	203.00	201.00	203.20
Mar	206.00	206.20	203.20	201.00	199.80	201.20
May	206.00	208.40	205.20	203.00	201.40	203.20
Est. Sales 1,933.						
COCOA (FOX) Sterling per metric ton-lots of 10 tons						
Mar	608	610	620	604	616	617
May	651	652	658	640	652	653
Jul	678	679	687	672	681	682
Sep	707	708	715	702	710	711
Dec	740	741	747	737	743	744
Mar	768	769	776	765	773	774
May	789	791	799	788	795	796
Est. Sales 6,060.						
COFFEE (FOX) Sterling per metric ton-lots of 5 tons						
Mar	519	520	531	515	N.T.	N.T.
May	527	528	539	527	524	525
Jul	544	545	553	544	533	534
Sep	558	562	570	565	548	550
Nov	578	579	583	579	563	565
Jan	595	597	597	595	577	580
Mar	612	615	N.T.	N.T.	591	595
Est. Sales 2,449.						

	High	Low	Last	Settle	Ch'ge
GASOIL (IPE) U.S. dollars per metric ton-lots of 100 tons					
Feb	234.00	227.75	230.00	230.25	+4.00
Mar	204.75	199.00	200.00	200.00	+1.50
Apr	185.50	178.75	177.00	178.25	—0.75
May	179.50	174.00	174.00	174.00	—2.00
Jun	178.50	173.50	173.50	173.75	—1.25
Jul	177.00	173.00	173.00	173.00	—1.00
Aug	N.T.	N.T.	N.T.	173.75	—0.50
Sep	N.T.	N.T.	N.T.	174.00	—0.50
Oct	N.T.	N.T.	N.T.	171.50	—0.50
Est. Sales 5,500. Prev. sales 9,464. Open interest 46,764					
BRENT CRUDE OIL (IPE) U.S. dollars per barrel-lots of 1,000 barrels					
Mar	20.45	19.80	19.80	19.82	—0.34
Apr	19.82	19.25	19.29	19.28	—0.18
May	19.05	18.75	18.85	18.65	—0.25
Jun	N.T.	N.T.	N.T.	18.13	—0.17
Jul	N.T.	N.T.	N.T.	17.90	—0.40
Aug	N.T.	N.T.	N.T.	17.90	—0.40
Est. Sales 16,295. Prev. sales 18,113. Open interest 64,916					

Sources: Matif, Int'l Petroleum Exchange, Reuters.

London Metals

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) Dollars per metric ton				
Spot	1467.00	1469.00	1468.00	1470.00
Forward	1509.00	1510.00	1500.00	1502.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1206.00	1208.00	1225.00	1226.00
Forward	1216.00	1217.00	1231.00	1232.00
LEAD Sterling per metric ton				
Spot	295.00	297.00	294.00	295.00
Forward	305.00	305.50	305.00	306.00
NICKEL Dollars per metric ton				
Spot	8580.00	8600.00	8520.00	8530.00
Forward	8560.00	8570.00	8525.00	8530.00
TIN Dollars per metric ton				
Spot	5540.00	5550.00	5580.00	5590.00
Forward	5640.00	5650.00	5690.00	5700.00
ZINC (Special High Grade) Dollars per metric ton				
Spot	1175.00	1180.00	1156.00	1157.00
Forward	1170.00	1172.00	1156.00	1157.00

Certain offerings of securities, financial services or interests in real estate published in this newspaper are not authorized in certain jurisdictions in which the International Herald Tribune is distributed, including the United States of America, and do not constitute offerings of securities, services or interests in these jurisdictions. The International Herald Tribune assumes no responsibility whatsoever for any advertisements for offerings of any kind.

U.S./AT THE CLOSE

USX Plunges on Stock Issue News

PITTSBURGH (Reuters) — USX Corp. shares fell Friday as investors reacted with uncertainty to its announcement that it would issue separate shares for its steel division as part of a plan to divorce the unit from its vast energy business. The stock slid $1.75 to $29.50 in havy trading.

Charles Bradford at UBS Securities said he changed his rating on USX to a sell from a hold on Friday, noting that he thought the initial reaction to Thursday's announcement was too optimistic.

"People don't have the numbers to value this," said David Fleischer at Prudential-Bache. "Many of the investors who own USX stock are hoping to sell it up a little bit and get out."

CNN Increases Advertising Prices

ATLANTA (AFP) — After soaring to the top of the television ratings with its coverage of the Gulf war, CNN has decided to sharply increase its advertising rates.

The network said Friday it would raise the price for prime time advertising from about $5,000 to more than $20,000 for a 30-second spot.

General Dynamics to Lay Off 1,200

CLAYTON, Missouri (AP) — General Dynamics Corp. plans to lay off about 1,200 workers this year at its tank-making plants in Michigan, Ohio and Pennsylvania, company officials said Friday.

The plants help make the M1-A1 tank for the army. The company will begin making the M1-A2, the next generation model, in late 1992. "Contrary to many reports, the Middle East crisis has not resulted in requests for increased tank production," said Gordon England, vice president and general manager of the Land Systems Division.

Marriott to Sell 120 Restaurants

WASHINGTON (AP) — Marriott Corp. continued its withdrawal from the restaurant business Friday, announcing the sale of 120 family restaurants in California for approximately $65 million.

The buyer, Restaurant Enterprises Group Inc., is expected to take control of the restaurants by early summer, Marriott said. The restaurants are mostly Bob's Big Boy, with a few in the Allie's chain.

Grand Met Seeks U.S. Stock Listing

LONDON (AP) — Grand Metropolitan PLC, the British parent company of Pillsbury Co. and Burger King Corp., said Friday that it is seeking a stock listing on the New York Stock Exchange.

The company said it filed a preliminary registration statement with the Securities and Exchange Commission for its shares to be listed as American Depository Receipts.

LANDING: *Diplomatic Battle*

(Continued from first finance page)

matic row, with the British now demanding a dramatic revamping of the international air agreement between the two countries.

The fight has already sucked in President George Bush and Prime Minister John Major, Transportation Secretary Samuel Skinner of the United States and his British counterpart, Malcolm Rifkind. And after talks between the two countries broke off angrily on Wednesday in London, it looks like it may take more high-level intervention to break the deadlock.

"Things are really stuck," a United States negotiator said. "I'm not sure what the next step is." He said, "there will be some sort of contact" between Mr. Rifkind and Mr. Skinner.

In a briefing Friday, officials of the British Transport Department said they are seeking rights in the United States for British airlines that would be unprecedented for foreign carriers: to be able to buy a controlling interest in a U.S. carrier and to have great freedom to fly domestic routes.

They insisted that only with these things can British carriers effectively crack the stranglehold that the large U.S. carriers have on major airports.

MURDOCH: *Banks Agree on $7.6 Million Debt Deal for News Corp.*

(Continued from first finance page)

payments from earnings, at the discretion of News Corp.

Finally, the group is prohibited from boosting dividend payments over 10 Australian cents per ordinary share per year during the life of the agreement.

Mr. Reidy asserted that the debt agreement was a vote of confidence in the "real long-term growth prospects of the company" and not a desperate attempt by bankers to protect their substantial exposure in the group.

"Cash flow will improve substantially this year and next," he predicted, "and will be more than adequate to cover interest payments."

He and others pointed out that the merger of his British satellite TV company Sky with the rival British Satellite Broadcasting had removed a £100 million ($196.6 million) loss from the balance sheet. The analysts also predicted that the downturn in the advertising market would be compensated by improved performance from U.S. television and entertainment operations.

The major uncertainty, however, surrounded the assets sales that will be necessary to repay the principal on News Corp. debt.

"The major question is going to be what kind of price he can get for his assets in the current market and when potential buyers all know he has to sell," Mr. Chalmers said.

News Corp. has said it would not sell any "core assets." It defined these as newspaper and magazine publishing, television, book publishing and film interests.

Analysts said they expected Mr. Murdoch to sell his 50 percent stake in the Australian airline Ansett, commercial printing assets in Australia and the Daily Racing Form in the United States. Mr. Reidy said those sales should raise a good deal more than the $800 million Mr. Murdoch needs.

WORLD STOCK MARKETS

Agence France Presse Feb. 1

	Close	Prev.
Amsterdam		
ABN Amro Hld	34.10	34.50
ACF Holding	32.80	33.30
Aegon	117	118.70
Ahold	64.30	64.20
Akzo	80.60	81.20
AMEV	50.80	50.90
A'Dam Rubber	3.80	3.80
Bols	181	181
Buhrmann Tett	50.50	50.20
Center Parcs	21.75	21.75
CSM	82.10	81.80
DAF	17.80	18.40
DSM	94.50	96
Elsevier	72.10	72.70
Fokker	27	28
Gist-Brocades	27.50	28.30
Heineken	132.20	132.70
Hoogovens	42.10	42.80
Hunter Douglas	58	57.50
IHC Caland	46	45.70
Inter Mueller	74.50	72.50
KLM	20.60	20.50
KNP	40.20	40.40
Nat Neder	53.70	52.40
Nedlloyd	40	39.50
NMB Postbank	42.30	41.70
Oce Grinten	41	41.50
Pakhoed	167.50	168.20
Philips	23.80	23.40
Robeco	88.10	88.20
Rodamco	55.90	55.50
Rolinco	81.40	81.80
Rorento	61.30	61.30
Royal Dutch	123.80	125
Unilever	143	144.80
Van Ommeren	39.70	39.50
VMF Stork	43.20	43.70
VNU	88.50	88
Wessanen	65.10	66
Wolters/Kluwer	47	47.10
CBS Gen'l Trend Index : 88.40		
Previous : 88.60		
Brussels		
AG Fin	4230	4250
Arbed	3280	3210
Barco	912	922
Bekaert	6700	6710
Cockerill	N.A.	—
Cobepa	4750	4750
Delhaize	5960	6040
EBES	N.A.	—
GB-Inno-BM	41	41.50
GBL	N.Q.	—
Gevaert	6240	6260
Hoboken	N.A.	—
Intercom	153.75	154.25
Kredietbank	3450	3350
Petrofina	9820	9810
Royal Belge	3610	3670
Soc Gen Banque	4550	4570
Soc Gen Belgique	1925	1925
Sofina	10275	10400
Solvay	10700	10675
Tractebel	2821	2900
UCB	16700	16900
Unerg Ps	N.A.	—
Current Stock Index : 4933.22		
Previous : 4924.84		
Frankfurt		
AEG	188.10	190.50
Allianz Hold	2215	2190
Altana	475	473
Asko	790	805
BASF	210.50	208
Bayer	235.90	236.50
Bay. Hypo bank	319	318
Bay Vereinsbk	338.50	343
BBC	510	N.Q.
BHF Bank	380	382
BMW	396	394
Commerzbank	242.50	244.50
Continental	215.50	220
Daimler Benz	554	558.50
Degussa	317	308.50
Dt Babcock	145.50	145.50
Deutsche Bank	611	613
Douglas	719	728
Dresdner Bank	341	340.10
Feldmuehle	445	450
Harpener	475	480
Henkel	467	472
Hochtief	1177	1180
Hoechst	217.90	217.20
Hoesch	191	191
Holzmann	1143	1129
Horten	177	175
IWKA	270.50	274
Kali Salz	130	131
Karstadt	555	565
Kaufhof	436	422
KHD	161	157
Kloeckner Werke	110.50	111.50
Krupp Stahl	127.80	128
Linde	747	753
Lufthansa	99.50	100
MAN	341.50	341
Mannesmann	281.50	279.50
Metallgesell	404.80	402
Muench Rueck	2285	2250
Nixdorf	287	289.50
PKI	511	505
Porsche	737	732
Preussag	243.50	238.50
PWA	210.70	200.50
RWE	373	371
Rheinmetall	312	298
Schering	695.50	693.50
SEL	307.50	307.80
Siemens	598	596.50
Thyssen	190.50	188
Varta	290	295.70
Veba	312	310
VEW	205	204.50
Viag	331.20	331
Volkswagen	332.80	330
Wella	681	677.50
DAX Index : 1426.57		
Previous : 1428.88		
FAZ Index : 607.85		
Previous : 608.59		
Helsinki		
Amer A	48	45
Enso-Gutzeit	16.40	19
K.O.P.	32	31
Kymmene	36	36
Metra	36	36
Nokia	35	35
Pohjola	100	100
Stockmann	100	95
United Papers	N.A.	—
Wartsila	N.Q.	—
Unitas Index : 361.80		
Previous : 362.40		
Hong Kong		
Bk East Asia	16.50	16.50
Cathay Pacific	7.40	7.40
Cavendish Int'l	3.73	3.75
Cheung Kong	14.10	14.10
China Light Pwr	16.60	16.60
Dairy Farm Int'l	10.60	10.70
Hang Lung Dev	5.65	5.75
Hang Seng Bank	25.40	25.40
Henderson Land	8.95	8.95
HK Air Eng.	15.80	15.90
HK China Gas	10.80	10.70
HK Electric	10.20	10.20
HK Land	7.55	7.60
HK Realty Trust	4.55	4.53
HK Shang Bank	4.85	4.88
HK Shang Hits	3.98	4
HK Telecomm	6.35	6.70
HK Ferry	3.95	3.95
Hutch Whampoa	13.10	13.20
Hyson Dev	1.18	1.19
Jardine Math.	28.10	28.30
Jardine Str Hld	14.70	15.10
Kowloon Motor	5.70	5.75
Mandarin Orient	4.35	4.35
Miramar Hotel	5.10	5
New World Dev	7.95	8.10
SHK Props	16.70	16.80
Stelux	2.98	2.90
Swire Pac A	16.70	16.60
Tai Cheung Pros	3.58	3.63
TVE	0.96	0.96
Wharf Hold	8.45	8.45
Wing On Co	7.70	7.80
Winsor Ind.	6.90	7.10
World Int'l	4.58	4.58
Hang Seng Index : 3221.49		
Previous : 3243.30		
Johannesburg		
AECI	13.50	13.50
Altech	80	80
Anglo Amer	85.25	84.50
Barlows	36.75	36
Blyvoor	9.40	10.15
Buffels	38	38
GFSA	58	57
Harmony	23.25	23.25
Highveld Steel	13.15	13.15
Kloof	24.75	24.25
Nedbank Grp	10.25	10.10
Rusplat	50.50	51
SA Brews	41	39
St Helena	27	27
Sasol	12.55	12.50
Welkom	16	16.75
Western Deep	82.50	85
Composite Stock Index : 2567		
Previous : 2583		
London		
Allied Lyons	4.90	4.86
Anglo Am Gld	30	N.Q.
AA Corp	12.94	N.Q.
Asda-MFI Gp	1.20	1.19
Ass Brit Foods	4.74	4.85
Barclays	3.65	3.70
Bass	9.50	9.45
B.A.T.	6.25	6.18
Blue Circle	2.25	2.19
BOC Group	5.22	5.30
Boots	3.29	3.26
Bowater	4.58	4.54
BAe	5.34	5.48
Brit Airways	1.34	1.40
British Gas	2.34	2.37
BP	3.84	3.83
British Steel	1.20	1.21
Brit Telecom	2.91	2.91
BTR	3.36	3.40
Burmah Oil	4.93	5.01
Cable Wire	4.75	4.77
Cadbury Sch	3.35	3.38
Charter Cons	4.12	4.12
Comm Union	4.76	4.74
Cookson	1.04	1.04
Courtaulds	3.23	3.20
Dalgety	3.57	3.58
De Beers	9.86	9.49
Dixons	1.50	1.45
Driefontein	5.27	N.Q.
Eurotunnel	4.60	4.55
Fisons	3.76	3.70
Gen Acc F	5.02	4.94
GEC	1.83	1.83
GKN	3.14	3.18
Glaxo	8.90	8.87
Grand Met	6.60	6.63
Gt Univ Stores	14.25	14.25
GRE	1.90	1.95
Guinness	7.57	7.57
Hanson Tr	2	1.97
Hawker Sidd	4.50	4.63
ICI	9.45	9.33
Kingfisher	3.80	3.80
Land Sec	5.45	5.42
Legal Gen Grp	3.90	3.92
Lloyds Bank	3.01	2.99
Lonrho	1.95	1.94
Lucas Ind	1.35	1.35
Marks Sp	2.26	2.23
Maxwell	1.46	1.42
MB Group	1.63	1.63
Midland Bk	1.68	1.64
NatWest	2.78	2.77
Pearson Grp	6.47	6.56
P and O	4.98	5.06
Pilkington	1.67	1.80
Prudential	2.10	2.10
Racal Elec	1.85	1.80
Randfontein	N.Q.	—
Rank Org	6.12	5.94
Reed Intl	3.67	3.65
Reuters	7.67	7.77
Rolls Royce	1.46	1.48
Royal Dutch	N.Q.	—
RTZ	4.72	4.59
Saatchi	0.23	0.22
Sainsbury	3.20	3.21
Sears Holds	0.83	0.82
Shell	4.33	4.34
Skbeec	6.52	6.50
STC	3.15	3.15
Std Chart Bk	2.25	2.14
Storehouse	1.03	1.05
Sun Alliance	3.36	3.44
Tate and Lyle	2.93	2.94
Tesco	2.42	2.40
Thorn EMI	6.45	6.37
T.I. Group	3.79	3.78
Trafalgar Hse	1.91	2
THF	2.24	2.22
Ultramar	3.06	3.08
Unilever	6.72	6.77
Utd Biscuits	3.46	3.42
Vickers	1.96	1.94
War Loan 3½	35.31	N.Q.
Wellcome	4.68	4.67
Woolworth	N.Q.	—
F.T. 30 Index : 1498.90		
Previous : 1491.50		
F.T.S.E. 100 Index : 2165.70		
Previous : 2170.30		
Madrid		
Bco. Bilbao/Viz.	2435	2420
Banco Central	4340	4310
Bco. Santander	4600	4645
Banesto	3180	3170
CEPSA	1580	1590
Dragados	2430	2395
Iberduero	686	687
Telefonica	882	890
S.E. General Index : 230.73		
Previous : 231.18		
Milan		
Banco Comm	3960	3875
Bastogi	264	264
Ciga hotels	2285	2250
CIR	2180	2220
Cred Ital	2315	2259
Enimont	1403	1325
Eridania	6650	6645
Ferruzzi Fin.	1952	1961
Ferruzzi Agr.	N.Q.	—
Fiat SPA	4720	4769
Generali	29600	29900
IFI	11995	12125
Italcem	18900	18675
Italgas	2437	2420
Italmobiliare	60000	60500
Mediobanca	13300	13450
Montedison	N.A.	—
Olivetti	2945	2970
Pirelli	1445	1470
RAS	15590	15800
Rinascente	5010	5010
Saipem	1103	1070
SIP	1199	1209
SME	2683	2685
Snia	1287	1310
Standa	29380	29100
Stet	1890	1898
Toro Assi Risp	19180	19065
MIB current Index : 959.80		
Previous : 963.00		
Montreal		
Alcan Aluminum	24⅛	24⅛
Bank Montreal	32⅜	32¼
Bell Canada	40⅛	39⅞
Bombardier A	16⅝	16
Bombardier B	15⅞	15¼
Cambior	10⅛	10⅛
Cascades	4.30	4.10
Dominion Text A	5⅝	5⅝
Donohue	11⅝	11½
MacMillan Bl	18	17⅝
Memotec	7½	7⅝
Natl Bk Canada	9¼	9⅝
Noverco	N.A.	—
Power Corp.	16½	16½
Provigo	10½	10½
Quebec Tel	14⅛	14¼
Quebecor A	16⅛	16⅛
Quebecor B	15	15
Videotron	13⅝	13½
Industrials Index : 1291.64		
Previous : 1279.83		
Paris		
Accor	638	634
Air Liquide	649	638
Alcatel Alsthom	541	548
Avions Dassault	470	470
Bancaire (Cie)	498	511
BIC	555	524
Bongrain	2320	2320
Bouygues	513	486
BSN-GD	773	770
Carrefour	3370	3368
Cerus	110	110.20
Chargeurs	699	684
Club Med	418	409
Elf-Aquitaine	279.50	282.50
Europe 1	1050	1060
Gen. Eaux	2316	2293
Hachette	173.80	177
Havas	405	395
Imetal	232	230
Lafarge Coppee	331.50	327.50
Legrand	3479	3455
Oreal (L')	466.40	473
L.V.M.H.	3205	3242
Matra	270	269
Merlin Gerin	473.90	470
Michelin B	74.45	76.80
Moulinex	85.10	82.10
Occidentale	680	668
Paribas	426.10	440
Pernod-Ricard	1013	1010
Perrier	1201	1222
Peugeot	433	428
Printemps (Au)	528	540
Radiotechnique	306.90	301
Raff. St. Louis	1220	1216
Redoute (La)	3420	3415
Roussel Uclaf	1675	1700
Saint Gobain	377.50	372.10
Sanofi	820	820
S.E.B.	1158	1179
Skis Rossignol	625	625
Ste Generale A	398.80	398
Suez	283.80	290.20
Telemecanique	N.Q.	—
Thomson-CSF	133.10	131.80
Total	570	565
Valeo	343	340
CAC 40 Index : 1578.86		
Previous : 1580.67		
Singapore		
City Dev.	2.87	2.87
DBS	9.70	9.75
Fraser Neave	7.60	7.75
Genting	N.Q.	—
Harrisons Plant	1.42	1.41
Haw Par	2.06	2.09
Hume	3.54	3.50
Inchcape	3.94	3.90
Keppel	6.60	6.45
KL Kepong	2.64	2.64
Lum Chang	0.93	0.94
Malayan Banks	4.22	4.26
OCBC	7.60	7.55
OUB	4.80	4.86
OUE	5.50	5.35
Sembawang	3.90	3.98
Shangrila	5.25	5.40
Sime Darby	2.67	2.66
SIA	10.50	10.30
S'pore Land	5.50	5.45
S'pore Press	7.65	7.70
Sing Steamship	2.64	2.64
Straits Trading	2.46	2.46
UOB	6.20	6.15
United Overseas	1.49	1.42
Straits Times Ind. : 1267.72		
Previous : 1267.35		
Stockholm		
AGA	288	275
Alfa Laval	247	248
Asea	590	580
Astra-A	440	440
Atlas Copco	216	212
Electrolux B	182	180
Ericsson	208	208
Esselte-A	110	110
Handelsbanken	N.A.	—
Norsk Hydro	171	162
Procordia AF	150	152
Saab-Scania	200	200
Sandvik	270	270
SCA-A	115	116
S-E. Banken	64	62
Skandia F	N.A.	—
Skanska	340	335
SKF	93	92.50
Stora	295	300
Trelleborg B	108	106
Volvo	238	238
Affaersvaerlden : 949.58		
Previous : 946.50		
Sydney		
ANZ	3.29	3.47
BHP	10.05	10.30
Boral	3.57	3.64
Bougainville	0.79	0.77
Coles Myer	8.46	8.52
Comalco	3.85	3.88
CRA	9.70	9.92
CSR	4.85	4.97
Dunlop	4.92	4.97
Elders IXL	0.45	0.43
ICI Australia	3.70	3.85
Magellan	2.05	2.05
MIM	1.49	1.49
Nat Aust Bank	5.76	5.90
News Corp	5.80	5.70
N Broken Hill	1.95	1.97
Poseidon	1.28	1.25
QCT Resources	1.12	1.13
Santos	3.48	3.42
TNT	1.28	1.35
Western Mining	4.15	4.18
Westpac Banking	3.82	3.99
Woodside	2.60	2.58
All ordinaries Index : 1382.50		
Previous : 1321.60		
Tokyo		
Akai Electr	530	520
Asahi Chemical	678	680
Asahi Glass	1190	1170
Bank of Tokyo	1060	1060
Bridgestone	965	981
Canon	1270	1280
Casio	949	950
C.Itoh	665	655
Dai Nippon Print	1420	1430
Daiwa House	1850	1850
Daiwa Securities	1170	1170
Fanuc	4230	4190
Fuji Bank	2600	2620
Fuji Photo	3330	3370
Fujitsu	980	985
Hitachi	1110	1110
Hitachi Cable	888	888
Honda	1150	1140
Ito Yokado	3630	3630
Japan Airlines	1850	1860
Kajima	1520	1530
Kansai Power	2920	2970
Kawasaki Steel	407	406
Kirin Brewery	1410	1430
Komatsu	848	855
Kubota	624	630
Kyocera	6090	6050
Matsu Elec Inds	1630	1660
Matsu Elec Wks	1450	1430
Mitsubishi Bk	2310	2330
Mitsubishi Kasei	582	565
Mitsubishi Elec	635	653
Mitsubishi Hev	706	713
Mitsubishi Corp	1280	1280
Mitsui and Co	695	695
Mitsukoshi	1120	1120
Mitsumi	1110	1110
NEC	1360	1360
NGK Insulators	1020	1030
Nikko Securities	899	889
Nippon Kogaku	1100	1090
Nippon Oil	875	870
Nippon Steel	439	446
Nippon Yusen	552	549
Nissan	718	703
Nomura Sec	1710	1750
NTT (SF)	8880	8880
Olympus Optical	928	931
Pioneer	4460	4420
Ricoh	671	685
Sanyo Elec	567	562
Sharp	1230	1190
Shimazu	785	785
Shinetsu Chem	1230	1210
Sony	6190	6220
Sumitomo Bk	2040	2070
Sumitomo Chem	439	445
Sumi Marine	915	940
Sumitomo Metal	430	433
Taisei Corp	896	900
Taisho Marine	975	985
Takeda Chem	1620	1610
TDK	4570	4570
Teijin	502	512
Tokyo Marine	1260	1270
Tokyo Elec Pw	3790	3810
Toppan Printing	1300	1320
Toray Ind.	683	685
Toshiba	697	697
Toyota	1730	1730
Yamaichi Sec	867	873
Nikkei 225 : 23157		
Previous : 23291		
Topix Index : 1704		
Previous : 1711		
Toronto		
Abitibi Price	13⅜	12⅞
Agnico Eagle	5⅜	5⅝
Air Canada	8⅝	8¾
Alberta Energy	15⅛	15⅛
Am Barrick Res	22¼	22⅜
BCE	40¼	40
BCED	8.11	N.Q.
Bk Nova Scotia	13⅝	13¼
BC Gas	14⅜	14⅜
BC Phone	19	19
BP Canada	16⅛	15¾
Bramalea	5½	5½
Brunswick	7⅛	7⅜
CAE	4.45	4⅝
Campeau	0.45	0.45
CIBC	25⅛	25⅜
Canadian Pacific	21	20⅞
Can Packers	11⅞	11⅝
Can Tire A	24	23⅞
Cantar	22⅛	22⅝
Cara	15⅛	15¼
CCL Ind B	9	8⅝
Cineplex	2.80	2.80
Cominco	21⅝	21⅞
Conwest Expl A	N.Q.	—
Corona A	21	—
Denison Min B	3.95	3.85
Dickenson Min A	N.Q.	0.48
Dofasco	16⅜	17⅜
Dylex A	N.Q.	2.85
Echo Bay Mines	9⅜	8¾
Equity Silver A	0.94	0.74
FCA Intl	N.Q.	7⅛
Fed Ind A	9⅝	9⅝
Fletcher Chall A	15⅛	15⅛
FPI	5⅝	5⅞
GoldCorp	3⅝	3.95
Gulf Cda Res	8⅛	8⅝
Hees Intl	16⅛	16⅝
Hemlo Gld Mines	8½	8⅜
Hollinger	11⅝	11½
Horsham	8⅝	8⅝
Hudson Bay	N.Q.	—
Imasco	27⅛	27⅜
Inco	33⅛	33⅜
Interhome	46⅛	46½
Jannock	13	13
Labatt	23	22½
Loblaw Co	18	18
Mackenzie	7⅛	7⅝
Magna Intl A	2.60	2½
Maritime	18⅛	18⅛
Mark Res	8⅛	7⅞
MacLean Hunt X	9⅝	9⅜
Molson A	35⅛	36
Noma Ind A	4.60	4.40
Noranda	N.Q.	—
Noranda Forest	8⅝	8½
Norcen Energy	22⅜	23⅛
Nova Corp	8½	8⅝
Oshawa	34⅜	34⅜
Pagurin A	5⅝	5⅝
Placer Dome	15⅛	15⅜
Poco Petroleum	7⅛	7⅛
PWA Corp	8⅛	7⅜
Quebec Sturgeon	N.Q.	—
Rayrock	7⅛	N.Q.
Renaissance	14⅛	13⅞
Rogers B	7⅛	7⅛
Rothmans	N.Q.	—
Royal Bank Can	24⅝	24½
Royal TrustCo	8	8⅝
Sceptre Res	3.40	3.45
Scott's Hosp	14⅛	14⅛
Seagram	102⅝	102½
Sears Can	10⅛	10
Shell Can	36⅜	36⅝
Sherritt Gordon	6⅛	6⅛
SHL Systemhse	5	4.80
Southam	18⅛	18⅛
Spar Aerospace	12⅛	12
Stelco A	10	9⅝
Teck B	19	18⅜
Thomson News	16⅛	16⅛
Toronto Domn	18⅛	18⅛
Torstar B	24⅛	24⅛
Transalta Util	12⅛	12⅛
TransCda Pipe	16⅛	16⅛
Trilon Finl A	11	11½
Trimac	6⅛	6⅛
Trizec A	13⅛	13⅛
Turbo Resources	N.A.	—
Unicorp A	1⅝	0.60
Woodward's Ltd	1⅝	1.65
TSE 300 Index : 3391.78		
Previous : 3368.50		
Zurich		
Adia Intl	775	795
Alusuisse	977	968
Leu Holdings	1130	1100
Brown Boveri	3970	3970
Ciba Geigy	2530	2460
CS Holding	1645	1620
Elektrow	2970	2940
Fischer	1350	1300
Interdiscount	2730	2780
Jacobs Suchard	8100	8100
Jelmoli	1450	1420
Landis Gyr	1000	1000
Moevenpick	4220	4150
Nestle	7550	7540
Oerlikon-B	510	530
Pargesa Hld	990	980
Roche Holding B	3840	3810
Safra Republic	74	75
Sandoz	2010	2040
Schindler	4430	4240
Sulzer	347	345
Surveillance	6130	6020
Swissair	640	605
SBC	287	287
Swiss Reinsur	584	574
Swiss Volksbank	1150	1140
Union Bank	3030	3000
Winterthur	3950	3800
Zurich Ins	2010	—
SBS Index : 532.80		
Previous : 533.40		

Market Closed

The stock market in Sao Paolo was closed Friday for a holiday.

U.S. FUTURES

Via Associated Press Feb. 1

Grains

Season High	Season Low		Open	High	Low	Close	Chg.
WHEAT (CBT) 5,000 bu minimum- dollars per bushel							
3.85	2.44½	Mar	2.63	2.63½	2.60½	2.62¼	—.00¾
3.73	2.54¼	May	2.72½	2.72½	2.69½	2.70	—.01¼
3.63	2.62	Jul	2.81	2.81	2.77¼	2.80	
3.26	2.69½	Sep	2.88	2.88	2.85½	2.87	+.00½
3.17	2.81½	Dec	3.00	3.00	2.97¼	2.99½	+.00¼
3.70¾	2.88¼	Mar	3.06½	3.06½	3.06	3.06	+.00¾
Est. Sales Prev. Sales 11,894							
Prev. Day Open Int. 49,138 up 746							
WHEAT (KCBT) 5,000 bu minimum- dollars per bushel							
		Mar	2.67½	2.67½	2.65	2.67	+.00¾
		May	2.73¾	2.74¼	2.71½	2.73¾	+.00¾
		Jul	2.78	2.79	2.76½	2.78	
		Sep	2.84	2.84	2.83¾	2.83¾	—.00¼
		Dec				2.92½	—.00½
		Mar				2.97	+.01
Est. Sales Prv.Sales 6,864 Prev.Day Open Int 23,691 —418							
CORN (CBT) 5,000 bu minimum- dollars per bushel							
3.02½	2.27¼	Mar	2.45	2.45¼	2.42½	2.44	—.00¼
3.06½	2.35	May	2.53½	2.53¾	2.50¾	2.52	—.00½
3.08¼	2.41½	Jul	2.59½	2.60	2.56¼	2.58	—.00½
2.87½	2.40¼	Sep	2.60	2.60½	2.57¼	2.59	+.00¼
2.75	2.42½	Dec	2.60¾	2.61¼	2.59	2.60¾	+.00½
2.70	2.49	Mar	2.67¼	2.67¼	2.65¼	2.67¼	+.00½
2.72	2.58¼	May				2.70½	+.00¼
Est. Sales Prev. Sales 29,330							
Prev. Day Open Int.221,488 up 1,269							
SOYBEANS (CBT) 5,000 bu minimum- dollars per bushel							
7.03	5.49½	Mar	5.70	5.71½	5.65	5.67	+.00¼
7.11	5.61	May	5.83½	5.85½	5.79	5.81¼	+.00¼
7.16	5.76	Jul	5.97½	5.98	5.92	5.93¾	+.00¼
6.95	5.82	Aug	6.01	6.01	5.96½	5.97¾	—.00½
6.54	5.83½	Sep	6.03	6.03½	5.99	5.99	—.01
6.74	5.90½	Nov	6.10½	6.12	6.05½	6.06¼	—.02
6.42½	6.02½	Jan	6.22½	6.23	6.19	6.19¾	—.01¾
6.54	6.11¾	Mar	6.35	6.35	6.31	6.31½	—.02
		May				6.40½	—.02½
Est. Sales Prev. Sales 27,891							
Prev. Day Open Int.109,313 up 578							
SOYBEAN MEAL (CBT) 100 tons- dollars per ton							
212.00	160.60	Mar	164.70	165.30	163.70	164.70	+.90
208.00	165.50	May	169.50	169.80	168.30	169.00	+.70
209.00	170.00	Jul	173.80	174.20	172.70	173.70	+.80
195.50	172.50	Aug	175.80	175.80	174.80	175.40	+.60
193.50	173.00	Sep	176.80	177.80	176.00	176.60	+1.10
189.80	172.50	Oct	177.80	178.00	177.00	177.20	+.20
191.50	174.00	Dec	181.20	181.20	179.80	181.00	+.80
198.50	177.80	Jan	181.00	181.00	181.00	181.00	+.50
Est. Sales Prev. Sales 15,801							
Prev. Day Open Int. 61,710 up 1,207							
SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.							
25.61	19.82	Mar	21.78	21.79	21.52	21.60	—.03
25.55	20.15	May	22.10	22.14	21.86	21.96	—.04
25.60	20.85	Jul	22.32	22.32	22.12	22.22	—.05
25.50	20.90	Aug	22.35	22.36	22.20	22.21	—.06
25.10	21.00	Sep	22.27	22.27	22.15	22.15	—.05
24.90	21.08	Oct	22.25	22.30	22.05	22.05	—.15
24.00	22.17	Dec	22.30	22.30	22.17	22.25	—.07
22.95	21.88	Jan				22.10	—.12
22.95	20.10	Mar				22.15	—.07
		May				22.15	—.07
Est. Sales Prev. Sales 15,136							
Prev. Day Open Int. 72,192 off 1,000							

Livestock

Season High	Season Low		Open	High	Low	Close	Chg.
CATTLE (CME) 40,000 lbs.- cents per lb.							
78.70	72.50	Feb	78.60	78.95	78.50	78.67	+.07
78.05	74.15	Apr	77.40	77.65	77.32	77.37	—.15
75.45	72.15	Jun	74.80	74.87	74.55	74.75	—.10
73.95	70.25	Aug	72.72	72.75	72.55	72.67	—.22
73.95	70.70	Oct	73.80	73.80	73.40	73.52	—.28
74.40	71.75	Dec	74.15	74.15	73.90	73.92	—.33
74.45	72.80	Feb	73.90	73.90	73.90	73.85	—.30
Est. Sales 14,222 Prev. Sales 14,154							
Prev. Day Open Int. 76,731 up 1,677							
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
87.75	80.90	Mar	87.60	87.85	87.35	87.62	—.05
85.80	81.20	Apr	85.72	85.85	85.32	85.60	—.17
84.45	80.20	May	84.25	84.40	84.00	84.10	—.20
84.25	80.20	Aug	84.15	84.40	84.07	84.17	—.03
84.00	79.75	Sep	84.00	84.00	83.70	83.85	—.05
83.80	80.20	Oct	83.70	83.75	83.65	83.70	—.05
83.70	81.20	Nov	83.85	84.00	83.85	83.90	+.05
Est. Sales 1,585 Prev. Sales 2,727							
Prev. Day Open Int. 13,494 up 199							
HOGS (CME) 30,000 lbs.- cents per lb.							
54.45	45.25	Feb	52.40	52.87	52.05	52.72	+.32
51.80	43.60	Apr	50.15	50.80	50.05	50.65	+.15
56.10	47.70	Jun	54.50	54.97	54.30	54.62	
55.95	48.30	Jul	54.40	54.70	54.10	54.45	+.05
52.50	46.90	Aug	52.22	52.50	52.12	52.30	—.02
48.20	42.90	Oct	47.15	47.45	47.08	47.25	+.10
48.50	44.50	Dec				47.27	+.17
48.25	44.50	Feb				47.55	+.15
Est. Sales 9,738 Prev. Sales 8,457							
Prev. Day Open Int. 26,502 up 604							
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
73.80	48.07	Feb	67.00	67.55	66.02	66.70	—.40
73.45	47.20	Mar	65.70	66.55	65.00	65.65	—.55
73.12	49.50	May	66.00	66.25	64.40	64.70	—1.40
72.80	50.75	Jul	64.50	64.50	62.80	63.25	—1.40
70.05	51.40	Aug	63.00	63.00	61.05	61.75	—1.30
63.00	61.10	Feb	62.00	62.00	62.00	62.00	
61.00	61.00	Mar				61.90	
Est. Sales 8,278 Prev. Sales 6,979							
Prev. Day Open Int. 11,553 off 13							

Food

Season High	Season Low		Open	High	Low	Close	Chg.
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
116.75	82.20	Mar	83.60	84.00	82.25	82.30	—.78
123.80	84.85	May	86.25	86.65	84.80	84.85	—.75
111.50	87.05	Jul	88.90	89.25	87.35	87.35	—.75
113.50	89.90	Sep	91.00	91.40	89.70	89.75	—.90
116.00	92.90	Dec	94.50	94.50	92.40	92.40	—.55
107.50	95.50	Mar	97.50	97.50	96.75	95.05	—.55
103.00	100.00	May				97.20	—.55
Est. Sales 8,256 Prev. Sales 6,451							
Prev. Day Open Int. 45,355 up 671							
SUGAR WORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
15.22	8.45	Mar	8.79	9.00	8.79	9.00	+.21
15.05	8.70	May	8.85	9.03	8.84	9.02	+.16
14.90	8.73	Jul	8.87	9.08	8.87	9.05	+.17
14.40	8.79	Oct	8.91	9.10	8.90	9.09	+.16
10.14	8.82	Mar	9.04	9.21	9.04	9.24	+.20
9.27	8.92	May				9.32	+.20
Est. Sales 24,082 Prev. Sales 19,330							
Prev. Day Open Int.131,983 up 3,619							
COCOA (NYCSCE) 10 metric tons-$ per ton							
1591	[illegible]	Mar	1121	1134	1120	1131	+3
1572	1000	May	1160	1170	1159	1169	+4
1590	1060	Jul	1201	1210	1199	1206	+4
1515	1230	Sep	1232	1241	1221	1241	+7
1535	1276	Dec	1282	1293	1280	1292	+10
1538	1339	Mar				1334	+10
1385	1385	May				1365	+10
Est. Sales 4,139 Prev. Sales 3,408							
Prev. Day Open Int. 39,096 off 584							
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
190.50	101.20	Mar	118.80	119.45	116.15	118.80	+.10
190.00	101.50	May	119.30	119.70	117.15	119.10	—.25
180.00	102.50	Jul	120.50	120.50	119.20	119.50	—1.00
125.50	106.00	Sep	120.00	120.00	120.00	120.30	—1.00
Est. Sales Prev. Sales 1,111							
Prev. Day Open Int. 5,633 off 851							

Metals

Season High	Season Low		Open	High	Low	Close	Chg.
HI GRADE COPPER (COMEX) 25,000 lbs.- cents per lb.							
120.00	99.52	Feb	107.00	107.50	106.95	107.25	—.05
122.40	92.30	Mar	106.20	107.20	106.00	106.70	+.30
117.90	99.85	Apr	105.75	105.75	105.75	105.75	+.35
117.00	97.00	May	104.90	105.60	104.70	105.30	+.30
115.00	102.30	Jun				105.00	+.40
113.50	96.50	Jul	104.20	104.80	104.10	104.50	+.40
107.50	102.00	Aug				104.25	+.40
110.50	95.50	Sep	104.40	104.40	104.30	103.70	+.40
104.00	101.50	Oct				103.40	+.40
105.00	101.00	Nov				103.10	+.40
108.50	94.50	Dec	103.30	103.30	103.30	102.80	+.40
104.50	99.55	Jan				102.50	+.45
106.80	96.00	Mar				101.90	+.45
104.20	100.00	May	102.20	102.20	102.20	101.30	+.45
103.00	102.00	Jul				101.00	+.45
103.00	102.00	Sep				100.80	+.45
Est. Sales 4,500 Prev. Sales 6,615							
Prev. Day Open Int. 37,656 up 1,057							
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
399.0	380.5	Feb				385.2	+2.2
665.0	376.0	Mar	388.0	389.5	383.0	387.2	+2.1
		Apr				389.4	+2.1
647.0	381.0	May	393.0	394.0	388.0	392.2	+2.0
667.5	386.5	Jul	397.8	399.8	394.0	397.2	+1.9
654.8	391.0	Sep	400.8	400.8	397.8	402.2	+1.7
623.5	398.0	Dec	411.5	411.5	408.0	409.4	+1.4
596.0	404.0	Jan				411.1	+1.3
613.0	409.0	Mar				417.0	+1.2
589.0	426.5	May	425.0	425.0	425.0	422.2	+1.1
557.0	420.0	Jul	422.0	422.0	422.0	427.4	+1.1
483.5	427.5	Sep				433.2	+1.1
Est. Sales 11,000 Prev. Sales 5,817							
Prev. Day Open Int. 89,726 off 1,194							
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
554.50	380.00	Apr	390.00	392.00	385.50	387.10	+.60
538.50	385.00	Jul	393.50	393.50	389.50	390.80	+.60
513.00	389.00	Oct	393.50	394.20	393.50	394.20	+.70
451.50	395.30	Jan	397.00	397.00	397.00	398.50	+.70
438.50	404.00	Apr				403.70	+.70
Est. Sales Prev. Sales 2,162							
Prev. Day Open Int. 15,785 up 379							
PALLADIUM (NYME) 100 troy oz- dollars per oz							
142.00	80.55	Mar	86.50	87.00	86.00	86.45	+1.90
125.25	82.00	Jun	86.75	87.00	86.50	86.65	+1.80
119.40	82.50	Sep	87.00	88.00	87.00	87.15	+1.70
114.50	85.10	Dec				88.10	+1.70
135.75	135.75	Mar				88.85	+1.70
Est. Sales Prev. Sales 290							
Prev. Day Open Int. 4,655 off 2							
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
457.50	362.00	Feb	368.50	369.50	363.70	366.10	+.30
408.50	367.00	Mar	365.00	367.50	365.00	367.10	+.30
469.00	366.20	Apr	371.50	372.80	365.70	368.70	+.20
466.20	370.50	Jun	374.80	375.50	369.50	371.90	
468.00	373.00	Aug	375.00	378.20	374.00	374.90	—.20
476.00	379.50	Oct	379.50	379.50	379.50	378.30	—.40
483.00	382.00	Dec	383.30	383.30	380.00	381.70	—.60
454.50	385.50	Feb				385.30	—.70
446.80	391.00	Apr				388.70	—.80
467.00	398.50	Jun	392.00	392.00	391.00	392.30	—.90
426.50	412.50	Aug				396.10	—1.10
410.80	410.80	Oct				399.70	—1.30
		Dec	405.00	405.00	405.00	403.50	—1.50
Est. Sales 34,000 Prev. Sales 35,769							
Prev. Day Open Int. 93,496 off 4,505							

Financial

Season High	Season Low		Open	High	Low	Close	Chg.
US T. BILLS (IMM) $1 million- pts of 100 pct.							
94.20	91.66	Mar	94.00	94.24	93.99	94.21	+.22
94.33	91.92	Jun	94.18	94.41	94.18	94.33	+.15
94.22	91.60	Sep	94.15	94.23	94.15	94.19	+.14
93.96	92.24	Dec	93.88	93.95	93.88	93.92	+.08
93.82	93.47	Mar				93.84	+.04
		Jun				93.72	
Est. Sales 28,509 Prev. Sales 5,039							
Prev. Day Open Int. 53,914 off 476							
5 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
101.210	97.000	Mar	101.095	102.010	101.095	101.985	+.395
101.320	99.010	Jun	101.000	101.200	101.000	101.175	+.845
Est. Sales Prev. Sales 7,842							
Prev. Day Open Int. 74,336							
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
100-6	92-23	Mar	99-15	100-13	99-15	100-8	+27
99-23	93-18	Jun	99-22	99-27	99-19	99-26	+27
98-21	97	Sep	99-10	99-12	99-5	99-12	+26
Est. Sales Prev. Sales 14,625							
Prev. Day Open Int. 74,977 up 961							
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
99-12	79-21	Mar	96-15	97-22	96-10	97-17	+17
99-4	83-18	Jun	95-28	97-2	95-25	96-30	+15
99-5	85-29	Sep	95-10	96-14	95-10	96-12	+14
98-20	85-19	Dec	95-26	95-29	95-19	95-27	+14
98-13	85-14	Mar	95-2	95-12	95-2	95-11	+14
97-19	85-3	Jun	94-20	94-27	94-20	94-27	+14
95-10	87-14	Sep	94-9	94-11	94-9	94-11	+13
94-11	85-4	Dec				93-28	+13
Est. Sales Prev. Sales 193,179							
Prev. Day Open Int.287,695 up 5,879							
MUNICIPAL BONDS (CBT) $1000x index-pts & 32nds of 100 pct							
92-30	85-	Mar	91-22	92-22	91-21	92-20	+1
91-28	84-26	Jun	91-31	92-10	91-29	92-10	+12
91-8	84-7	Sep				92-2	+12
Est. Sales Prev. Sales 7,071							
Prev. Day Open Int. 10,488 up 93							
EURODOLLARS (IMM) $1 million-pts of 100 pct.							
92.96	89.36	Mar	92.95	93.29	92.94	93.23	+.29
93.06	89.91	Jun	93.02	93.30	93.00	93.25	+.25
92.96	90.04	Sep	92.86	93.12	92.85	93.08	+.23
92.46	90.04	Dec	92.57	92.77	92.52	92.72	+.17
92.55	90.09	Mar	92.48	92.67	92.46	92.61	+.15
92.27	90.35	Jun	92.22	92.40	92.21	92.35	+.14
92.05	90.32	Sep	92.01	92.17	91.99	92.12	+.13
91.77	90.24	Dec	91.71	91.88	91.71	91.84	+.13
91.68	90.28	Mar	91.68	91.84	91.67	91.80	+.13
91.56	90.30	Jun	91.57	91.72	91.56	91.69	+.13
91.49	90.27	Sep	91.49	91.64	91.49	91.61	+.13
91.37	90.22	Dec	91.35	91.49	91.34	91.46	+.13
91.34	90.24	Mar	91.33	91.46	91.32	91.44	+.13
91.26	90.40	Jun	91.32	91.37	91.32	91.35	+.13
91.22	90.43	Sep	91.18	91.32	91.18	91.30	+.12
91.10	90.74	Dec	91.18	91.26	91.18	91.22	+.13
Est. Sales Prev. Sales 105,865							
Prev. Day Open Int.659,410 up 6,502							
BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001							
1.9560	1.6610	Mar	1.9480	1.9650	1.9480	1.9596	+80
1.9310	1.7460	Jun	1.9180	1.9340	1.9180	1.9290	+48
1.9080	1.8300	Sep				1.9046	+60
Est. Sales 15,161 Prev. Sales 18,853							
Prev. Day Open Int. 28,788 off 1,009							
CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001							
.8668	.7990	Mar	.8568	.8583	.8561	.8581	+23
.8590	.7995	Jun	.8500	.8518	.8505	.8520	+21
.8545	.7985	Sep	.8458	.8462	.8458	.8470	+19
.8480	.8175	Dec				.8421	+17
.8360	.8368	Mar				.8376	+15
Est. Sales 4,005 Prev. Sales 3,785							
Prev. Day Open Int. 25,737 off 605							
GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001							
.6800	.5800	Mar	.6737	.6814	.6736	.6794	+26
.6777	.6233	Jun	.6700	.6766	.6708	.6753	+23
.6718	.6391	Sep	.6685	.6730	.6685	.6713	+19
.6595	.6340	Dec				.6674	+12
Est. Sales 39,183 Prev. Sales 24,085							
Prev. Day Open Int. 60,217 up 5,647							
JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001							
.008040	.006715	Mar	.007569	.007645	.007542	.007590	—24
.008010	.006645	Jun	.007555	.007605	.007550	.007568	—28
.007870	.007346	Sep				.007555	—30
		Dec				.007582	—30
		Mar				.007553	
Est. Sales 28,719 Prev. Sales 38,406							
Prev. Day Open Int. 56,674 up 9,222							
SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001							
.8055	.6500	Mar	.7923	.7985	.7917	.7964	+20
.8030	.7065	Jun	.7904	.7955	.7895	.7940	+18
.8000	.6916	Sep	.7918	.7918	.7918	.7918	+16
.7990	.7700	Dec				.7904	+12
Est. Sales 23,024 Prev. Sales 23,619							
Prev. Day Open Int. 31,787 off 156							

Industrials

Season High	Season Low		Open	High	Low	Close	Chg.
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
79.80	63.82	Mar	79.50	79.75	78.85	79.53	+.44
78.70	64.40	May	78.35	78.85	77.97	78.73	+.63
78.38	65.67	Jul	77.35	77.90	77.03	77.80	+.68
72.85	66.77	Oct	69.15	69.50	69.10	69.10	+.10
69.30	63.75	Dec	66.05	66.35	65.95	66.10	+.10
68.50	64.65	Mar	66.75	66.80	66.75	66.60	—.08
67.20	65.10	May	66.90	66.90	66.80	66.80	—.09
66.50	66.50	Jul				66.80	—.05
Est. Sales 7,200 Prev. Sales 5,594							
Prev. Day Open Int. 46,270							
HEATING OIL (NYME) 42,000 gal- cents per gal							
96.50	50.70	Mar	63.80	64.35	62.00	62.10	—.94
92.80	49.30	Apr	58.50	59.45	56.90	57.10	—1.23
88.50	48.40	May	55.80	56.40	54.10	54.10	—1.18
85.75	48.00	Jun	54.10	54.10	52.65	52.80	—.60
85.00	48.00	Jul	53.80	53.80	52.70	52.70	—.78
85.07	52.00	Aug	53.45	53.70	52.35	52.35	—.90
84.38	53.40	Sep	54.50	54.70	54.25	54.70	+.45
85.00	54.60	Oct	56.00	56.00	55.25	55.25	
78.00	55.50	Nov	57.00	57.00	56.25	56.25	
82.62	54.00	Dec	57.50	57.50	57.05	57.25	
68.50	56.75	Jan	57.50	57.80	57.50	57.80	+.45
57.60	55.50	Feb	56.00	56.00	56.00	56.00	—.10
		Mar	53.75	53.75	53.75	53.75	—.10
		Apr	52.00	52.00	52.00	52.00	+.15
Est. Sales Prev. Sales 29,711							
Prev. Day Open Int. 74,368 off 356							
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
35.40	18.40	Mar	21.90	21.95	21.25	21.33	—.21
33.90	18.03	Apr	20.85	20.85	20.35	20.45	—.30
32.70	18.03	May	20.00	20.00	19.45	19.45	—.25
31.50	16.65	Jun	19.45	19.49	19.20	19.25	[illegible]
30.40	17.80	Jul	19.10	19.13	18.90	18.95	[illegible]
29.50	18.50	Aug	18.94	19.00	18.85	18.85	—.05
28.72	18.50	Sep	18.87	18.90	18.75	18.85	+.05
28.40	18.40	Oct	18.90	18.90	18.70	18.70	—.05
28.10	18.50	Nov	18.72	18.90	18.60	18.60	—.12
27.70	18.47	Dec	18.80	18.90	18.60	18.65	—.07
27.60	18.35	Jan	18.72	18.80	18.60	18.60	—.12
27.00	18.40	Feb	18.72	18.80	18.72	18.80	+.08
26.75	18.40	Mar	18.73	18.75	18.72	18.75	+.03
24.60	18.07	May	18.72	18.72	18.72	18.72	—.02
24.50	18.60	Jun	18.77	18.74	18.74	18.74	—.01
22.11	18.60	Jul	18.78	18.78	18.77	18.77	—.01
24.00	18.30	Dec	18.82	19.00	18.82	19.00	+.07
Est. Sales Prev. Sales 53,528							
Prev. Day Open Int.268,642 up 11,728							
UNLEADED GASOLINE (NYME) 42,000 gal- cents per gal							
95.00	50.65	Mar	63.00	63.00	61.00	61.30	—1.83
98.25	54.90	Apr	65.10	65.50	63.00	63.00	—1.71
97.00	55.05	May	63.20	63.55	61.50	62.00	—1.30
95.50	54.90	Jun	61.45	61.60	60.25	60.55	—.80
82.70	58.50	Jul	59.95	60.80	58.75	58.75	—.40
90.50	53.50	Aug	57.50	57.50	57.05	57.05	—.30
87.00	55.10	Sep	56.10	56.10	56.00	56.00	+.65
86.75	52.75	Oct	53.60	54.00	53.60	53.60	+.80
51.25	51.00	Jan	51.24	51.24	51.00	51.00	+1.15
Est. Sales Prev. Sales 15,982							
Prev. Day Open Int. 54,907							

Stock Indexes

Season High	Season Low		Open	High	Low	Close	Chg.
SP COMP. INDEX (CME) points and cents							
383.20	298.00	Mar	341.85	344.80	341.45	344.65	+2.40
383.25	308.90	Jun	344.85	347.70	344.75	347.40	+2.40
343.85	304.00	Sep	347.20	350.20	347.20	350.30	+2.50
337.25	321.75	Dec				352.80	+2.50
Est. Sales Prev. Sales 50,443							
Prev. Day Open Int.153,581 off 122							
NYSE COMP. INDEX (NYFE) points and cents							
207.80	163.85	Mar	186.60	188.30	186.30	188.05	+1.15
192.25	165.85	Jun	188.05	189.70	187.70	189.55	+1.25
187.15	173.70	Sep	189.30	189.30	189.30	190.90	+1.20
185.35	175.50	Dec				192.25	+1.25
Est. Sales Prev. Sales 6,445							
Prev. Day Open Int. 5,056 up 185							

Commodity Indexes

	Close	Previous
Moody's	1,019.50 f	1,023.30 f
Reuters	1,656.30	1,658.10
D.J. Futures	125.15	124.93
Com. Research	213.65	214.12

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Market Guide

CBT:	Chicago Board of Trade
CME:	Chicago Mercantile Exchange
IMM:	International Monetary Market Of Chicago Mercantile Exchange
NYCSCE:	New York Cocoa, Sugar, Coffee Exchange
NYCE:	New York Cotton Exchange
COMEX:	Commodity Exchange, New York
NYME:	New York Mercantile Exchange
KCBT:	Kansas City Board of Trade
NYFE:	New York Futures Exchange

هكذا من الاصل

هكذا من الاصل

War Outlays Bloat Britain's Budget

Reuters

LONDON — Britain said Friday it would have to raise public spending by £600 million ($1.18 billion) in the current fiscal year to meet costs of the Gulf war.

The Treasury announced the increase as politicians asked who would pay for Britain's war role.

Public spending for the year ending March 31 is now estimated to total £181.2 billion, up from £180.6 billion previously.

"Increases for military deployments to the Gulf account for almost all the increase in the estimate," the Treasury said in a statement.

David Mellor, chief secretary to the Treasury, flies to the United Arab Emirates on Friday to try to secure some cash help.

This week Germany pledged £275 million to Britain. Saudi Arabia also will meet some expenses.

But this will be a fraction of the total. Britain, in the grip of a severe recession, is following in the footsteps of the United States and is seeking financial contributions from other nations, particularly from economic superpower Japan.

The bill for six British Tornado aircraft lost so far is more than $240 million. Some grim economic forecasts put British Gulf war expenditures at more than $20 billion.

Despite rising unemployment, high inflation and the worst spate of corporate disasters for decades, Prime Minister John Major is riding high in opinion polls as the most popular premier since Winston Churchill.

The British victory over Argentina in the Falklands in 1982, which buoyed the political fortunes of then-Prime Minister Margaret Thatcher, cost more than $4 billion in today's terms.

Three times more troops are involved in the Gulf.

Defense Secretary Tom King told Parliament on Thursday that 40,000 British military personnel formed Britain's Gulf commitment.

He said more than £1.25 billion had been spent so far, excluding lost equipment and ammunition used.

The runway-busting JP233 bomb dropped by Tornados to help establish air superiority over Iraq costs £1 million each.

Mr. King on Friday announced an additional £260 million for the defense budget, pushing it up to £22.1 billion.

Analysts said that if Chancellor of the Exchequer Norman Lamont spreads war costs over several years and borrows, they need not take a great toll on the economy.

But the uncertainty of war has hit British business confidence. Industrialists are wary of making big decisions, a trend which analysts said could intensify recession.

The Bundesbank's decision to raise Germany's discount rate on Thursday has left less scope for Britain to bring down its own punishingly high rates.

The government's policies have kept bank base rates at 14 percent in an effort to fight inflation and defend the pound.

Shareholders Oppose Continental's Curbs

Reuters

DUSSELDORF — A group representing private German shareholders said Friday it would urge its members to scrap Continental AG's voting rights restriction at an extraordinary shareholders meeting on March 13.

The German Association for Protection of Security Holdings said it would call on its members to vote to abolish a rule that imposes a 5 percent limit on any single holder's voting rights, regardless of the holder's ownership stake.

The group also said it would ask members to reject a proposal that would raise to 75 percent from a simple majority the margin needed to overturn the 5 percent limit.

The group said it had not yet made recommendations on the three remaining items on the meeting's agenda, including a call for Continental to merge with Pirelli SpA.

The meeting is expected to turn into a showdown between Continental and the Italian tire maker, which has launched a bid to merge the two groups' tire activities under Pirelli control. It will give Pirelli, which claims the support of a majority of Continental shareholders, the chance to scrap the voting restriction.

Continental, which rejected the bid and termed it hostile, said Thursday that a number of shareholders have said they will support the company as it struggles to stay independent.

Pirelli said Friday it would outline its position in a letter to shareholders next week.

The private shareholders' group said it was convinced that voting rights restrictions were not an effective way to ward off hostile takeovers, and could in some cases prove negative. The group's attempt to scrap the rights restriction at the last shareholders meeting in 1990 fell just short of the needed majority.

Poland Looks West for Jets

Reuters

WARSAW — Poland's national airline is planning to acquire eight Western-built mid-range jets to replace part of its aging Soviet-made fleet, the company's newly appointed president said Friday.

Like other state-owned carriers in the former Communist countries of Eastern Europe, LOT Polish Airlines needs to modernize its fleet and is turning to Western manufacturers instead of its traditional Soviet suppliers.

"We have to replace the Russian planes with modern Western-made planes," said Bronislaw Klimaszewski, the new president. "But financing is a problem," he acknowledged.

LOT is considering buying aircraft from the European Airbus Industrie consortium, and two U.S. companies, Boeing Co. and McDonnell Douglas Corp., Mr. Klimaszewski said.

A decision will be made in the next three weeks, he said, adding that the financing arrangement would involve leasing the initial aircraft with an option to buy more.

The new models would replace 14 Soviet-built Tupolev 154 medium-range airliners.

LOT has already acquired six Boeing 767 aircraft for long-range traffic in addition to its six Soviet-built Ilyushin 62 long-distance planes.

It will take delivery this year of the first three of eight ATR 72 short-haul planes ordered from the French-Italian group, Avions de Transport Régional, Mr. Klimaszewski said.

LOT has not yet decided which engines to use on its new medium-range aircraft.

Mr. Klimaszewski said the Boeing 767s already had General Electric Co. engines installed, while the engines on the ordered ATR planes were made by United Technologies Corp.'s Pratt & Whitney subsidiary.

LOT is currently the only Polish airline and Mr. Klimaszewski said it would welcome competition.

He said LOT would not be able to maintain its domestic routes and will have to drop some international flights, such as those to Algiers and Tunis, and possibly some in East Asia.

The Gulf war is costing LOT 4 billion zloty ($420,000) a week in lost revenue because of suspended flights.

The shift by East European airlines to using fares established by the International Air Transport Association this year, which are payable in hard currency, has also had an impact on LOT's sales.

"It's a very bad year for the company," Mr. Klimaszewski said, "with a terrible beginning."

He said LOT should be privatized, but the government should retain a controlling influence in the national carrier.

But before privatization, LOT's legal status will have to be clarified. The airline is negotiating with the authorities to drop its special status, conferred during martial law in the 1980s because of its strategic importance, and to convert the airline into a state-owned joint-stock company.

The French government is sponsoring work by French banks to help LOT prepare for privatization, Mr. Klimaszewski said.

GM Passes Ford in European Sales

The Associated Press

DETROIT — For the first time, General Motors Corp. reported outselling Ford Motor Co. in 1990 in Europe.

GM said Thursday it sold 1.56 million cars in Europe last year while Ford said it sold 1.51 million.

"This is not good news for Ford," said Karl Ludvigsen, an auto analyst in London. Ford has been selling cars in Europe since 1903, the same year Henry Ford incorporated his carmaking company in Michigan.

Part of Ford's problems stemmed from a bumpy launch of its Escort car in Europe, caused primarily by a seven-week strike at Ford of Europe's Halewood plant in England.

"The key for Ford," Mr. Ludvigsen said, "will be if they can get a little steam behind this Escort launch."

According to Automotive Industry Data, a London statistical service, Volkswagen held the largest share of the European car market with 15.4 percent in 1990. There were 13.2 million cars and light trucks sold there overall.

The German automaker was followed by Fiat of Italy with 14.2 percent, Peugeot of France with 12.9 percent, GM with 11.8 percent and Ford with 11.6 percent.

There were 13.8 million cars and light trucks sold in the United States last year.

■ Volvo Sales Down

The Volvo Cars AB unit of Sweden's AB Volvo said it sold 359,600 cars worldwide in 1990, down 11.3 percent from 1989 sales of 405,600, Reuters reported Friday from Stockholm.

Volvo, in a statement, said, "Like the rest of the car industry, Volvo Cars was affected by the weak sales development generally, but most of all in our three largest markets, the United States, Great Britain and Sweden." It said there were increases in Japan, Southeast Asia, Italy and Spain.

Volvo said its U.S. car sales fell to 89,000 in 1990 from 101,000 in 1989. In Britain, sales fell to 66,000 from 81,700, and in Sweden sales fell to 47,600 from 66,600. Sales rose to 23,000 from 15,100 in Italy, to 5,900 from 5,200 in Spain, to 10,900 from 7,100 in Japan and to 10,500 from 8,500 in South-east Asia.

Philips Gets Shareholder Suit Threat

Reuters

THE HAGUE, Netherlands — The Dutch small shareholders association said Friday that it will sue Philips NV for its failure to warn shareholders of deteriorating performance if the company offers no talks about a settlement.

"We will definitely go ahead with legal action if Philips declines to talk to us," said Luc Burlage, spokesman for the group, called Vereniging van Effectenbezitters.

Previously, the shareholders group had only said it would consider legal action. Philips has already settled out of court for $9.25 million a U.S. shareholders' class action, but has resisted compensation for shareholders in other countries.

Philips stunned analysts and shareholders when it announced in May 1990 that first-quarter net profit had plummeted to 6 million guilders ($3.6 million) from 223 million a year earlier. The annual report, issued only a month before, was optimistic on group prospects.

Since then, Philips has begun cutting 45,000 to 55,000 jobs and has said it would show a loss of 4 billion guilders for 1990, compared with a 1.37 billion net profit for 1989.

■ CD Prototype Stolen

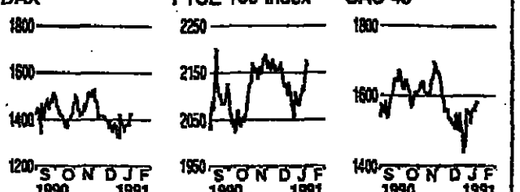
Philips NV said Friday that the only prototype of an advanced compact disk player which can record as well as play was stolen from Philips' research center in the Netherlands and sold in a bar.

"A man came into a shop in Maastricht and handed over a CD player," Philips spokesman Jack Reemers said. "He said he bought it for 150 guilders ($90) in a pub, but that it needed connections attaching to it."

The shopkeeper became suspicious and bought the machine — which could be of enormous value to Philips' Japanese competitors — for 250 guilders. It was later returned to Philips.

The theft, which happened in November, has not been solved.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	CBS Trend	80.40	80.60	-0.25
Brussels	Stock Index	4933.22	4924.84	+0.17
Frankfurt	DAX	1426.51	1420.08	+0.45
Frankfurt	FAZ	607.05	608.59	-0.25
Helsinki	UNITAS	361.00	362.40	-0.39
London	Financial Times 30	1694.00	1697.90	-0.23
London	FTSE 100	2165.70	2170.30	-0.21
Madrid	General Index	230.73	231.18	-0.19
Milan	MIB	959.00	965.00	-0.62
Paris	CAC 40	1578.08	1580.67	-0.16
Stockholm	Affarsvarlden	949.58	946.60	+0.31
Vienna	Stock Index	481.10	480.48	+0.13
Zurich	SBS	537.00	533.40	+0.67

Sources: Reuters, AFP International Herald Tribune

Paris Bourse Weakened By Paribas Earnings

Reuters

PARIS — Banking shares, depressed by disappointing results announced by Compagnie Financière de Paribas, weighed down the main blue-chip index on the Paris Bourse on Friday.

The CAC-40 index fell 2.59 points, or 0.16 percent, to close at 1,578.08 on active trading of 1.74 billion francs ($346.4 million). Paribas shares plunged 33.90 francs, or 7.37 percent, to 426.10.

After the Bourse closed on Thursday, the diversified banking group announced that its net attributable profit fell 26.5 percent from 3.4 billion francs to 2.5 billion in 1990, and that it had increased bad-debt provisions by about 1.2 billion francs to 4.7 billion francs at the end of the year.

"The profit was about 30 percent lower than expected," one trader said.

Other bank shares also suffered on the Bourse, including Compagnie Bancaire, Paribas's consumer-finance subsidiary, which dropped 13 francs to 498; Compagnie de Suez, which fell 6.40 to 283.80; and Société Générale, which lost 7.20 to 390.80.

Some dealers said the reaction was unsurprising, but probably exaggerated by the fact that Paribas had been the first of the big French banking companies to give a precise indication of the deterioration in its operating environment.

Paribas, in reporting the decline, blamed the decline on the bank's conservative method of evaluating its equity portfolio after last year's stock market declines, narrower interest-rate margins, lower banking income due to a weakening market, and the increase in loan-loss provisions.

Another indication of the potential troubles for French banks came from Banque Nationale de Paris on Friday, which said that earnings at its Compagnie d'Investissements de Paris subsidiary, which holds stakes in industrial companies, had plummeted last year to 20 million francs from 240 million francs.

Separately on Friday, Standard and Poor's said that it lowered the long-term debt rating of Paribas and its two main subsidiaries, Banque Paribas and Cie Bancaire, to AA from AA-plus.

The ratings agency said that the downgrading reflected a marked deterioration in Paribas's operating profits and credit-risk problems.

French Agency's Tie With Bloom Creates Global Contender

By Kim Foltz
New York Times Service

The Bloom Agency, known for its ads for Scott Paper and Pentax cameras, has been acquired by Groupe FCA, a French agency that creates advertising in Europe for clients like Nestlé, L'Oréal and Bayer.

The combined agencies, to be called Bloom FCA, will have billings of about $600 million. Terms of the agreement, which includes the acquisition of Bloom Public Relations, were not disclosed in the announcement Thursday.

But Robert Bloom, the chairman and chief executive of the Bloom Companies who will assume the same position at Bloom FCA, said that as part of the deal he received substantial stock in the new agency. Phillipe Calleux, who had been chairman of Groupe FCA, will be the director general and president of FCAB, the network's holding company.

The acquisition is the most recent in a series of relationships forged between French and U.S. agencies. Last year, Wells Rich Greene merged with BDDP. And earlier, Foote, Cone & Belding Communications linked up with Publicis. In addition, the French agency giant Eurocom is searching in the United States for a large agency either to merge with or to buy.

Some industry consultants said the FCA-Bloom marriage was a good match. There are no conflicting clients that would require the agencies to resign accounts. Both have expertise in working with packaged-goods clients and similar styles.

"This is a great deal for Bloom," said Leslie Winthrop, the president of the Ad Agency Register, a consulting firm that helps clients find agencies. "This puts the agency in the big leagues."

Analysts said Bloom had been hampered by its relatively small size — billings were $200 million — and because its main office was in Dallas. The new agency will have its headquarters in New York.

Mr. Bloom said he wanted to forge a deal with FCA because his agency needed to establish a presence in Europe to provide better service to some international clients.

The deal was attractive to FCA because it had been looking for an entry into the United States market, Mr. Calleux said.

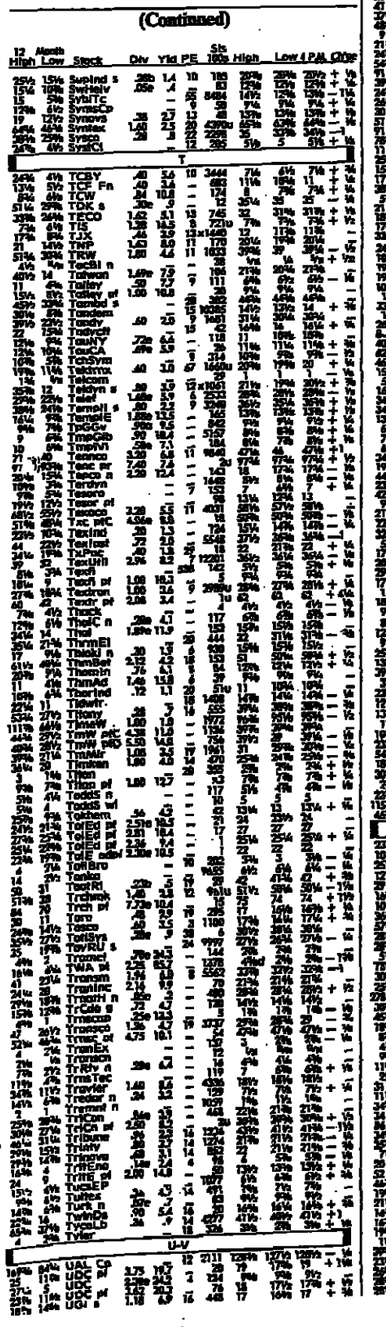
Both Bloom and FCA have picked up some important new clients in the last year. FCA recently won the European account for Trans World Airlines, Mazda's corporate advertising and the business of Thomson, which makes televisions and appliances. Bloom has won Tandon computers, Sandoz's Theraflu medicine and the Atlantic division of the Sun Companies.

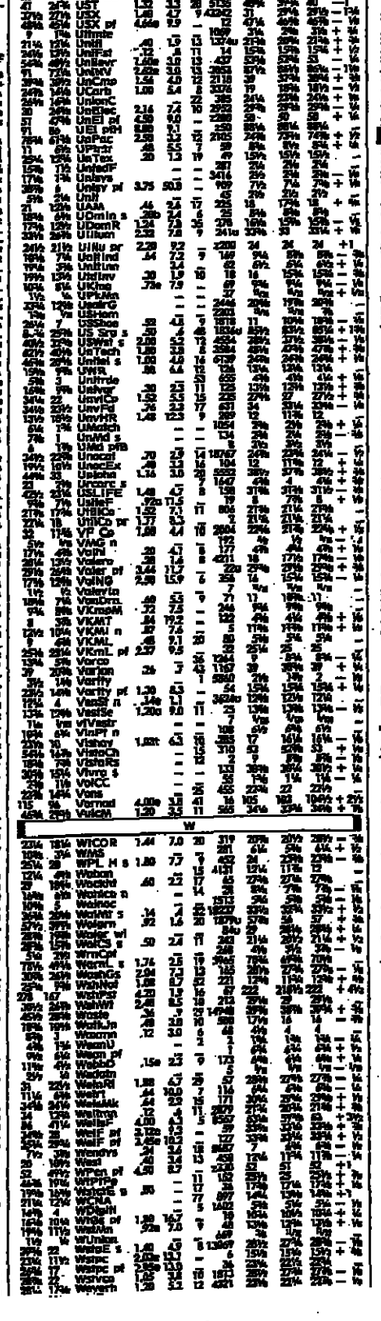
NYSE

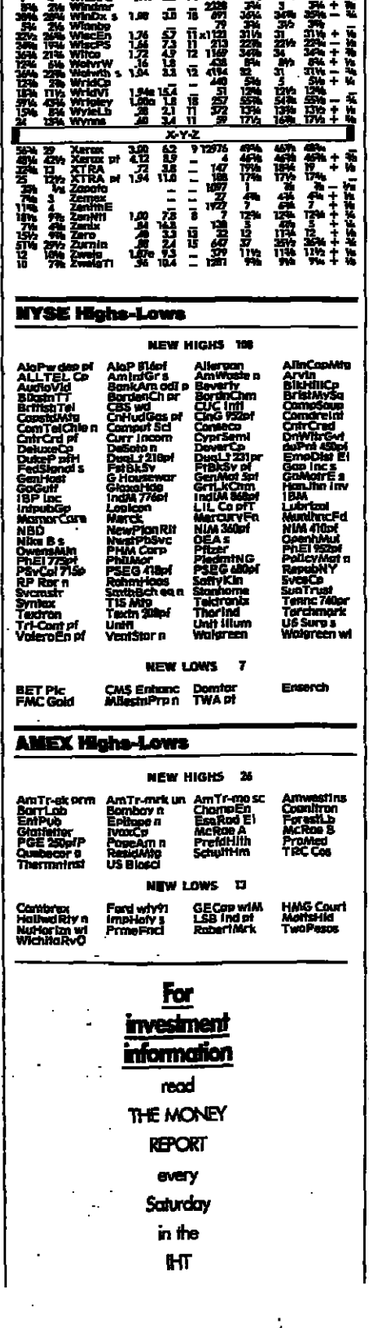
Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)







NYSE Highs-Lows

NEW HIGHS 198

AlaPw dep pf	AlaP $1dpf	Allergan	AlinCapMtg
ALLTEL Cp	AmInstGr s	AmWoste n	Arvin
AudioVid	BankAm pfE p	Beverly	BkNHillCp
BostnTT	BordenCh pr	BordnChm	BrtnMaySq
BritPetTel	CBS wd	CUC Intl	ComcSouw
CopelaMfg	CnHudGas pf	CinG 9$pf	Comdrelnt
ComTelChile n	Comput Sci	Conseco	CntrCrd
CntrCrd pf	Curr Incom	CyprSemi	CrftWrGrd
DeluxeCk	DeSoto n	DeverCo	duPnt 4$pf
DukeP pfH	DuskJ 2$pf	DuskJ 2$pr	EmpDist El
FedSignal s	FstBkSy	FtBkSy pf	Gen Inc s
GenHost	GnMotr	GnMot 3pf	GnMotrE s
GoGurl	GtLkChm	GrtLkChm	Hamilton Inv
IBP Inc	IndusBGp	IndUM 8$pf	IBM
IndustBGp	Lesteon	LIL Co pfT	LubrSal
MemorCore	Merck	MercurEFn	MorshHncFd
NBD	NewPlanRlt	NIM 3$pf	NIM 4$pf
Nike B s	NwstPbSvc	OEA s	OpenMkt
OwensMin	PHM Corp	Pfizer	PNB1 9$pf
PNB1 7$pf	PhilMor	PiedmtNG	PolicyMan n
PSnCol 7$pf	PSEG 4$pf	PSEG 4$pf	ReposNY
RP Rlst n	RohmHaas	SaffyKln	SvesCp
Sycamr	SmthBch ea n	Stanhome	SunTrust
Symbol	T15 Mfg	Telecrnix	Tenne 7$pf
Tektron	Textn 2$pf	Thorind	Torchmark
Tri-Cont pf	Unifi	Unit Illum	US Surg s
ValeroEn pf	VenStor n	Walgreen	Walgreen wi

NEW LOWS 7

BET Plc	CMS Enhanc	Domtar	Enserch
FMC Gold	MissnPrp n	TWA pf	

AMEX Highs-Lows

NEW HIGHS 26

AmTr-plc prm	AmTr-mrk un	AmTr-mo sc	Amwestins
BarrLab	Bombay n	ChampEn	Coanitron
EntPub	Epitope n	EsaRod El	ForestLb
Glatfelter	IvaxCp	McRae A	McRae B
PGE 2$pfP	PoseAm n	PrefdHlth	ProMed
Quadracor s	RaskelMfg	Schuth Hm	TRC Cos
Thermotrst	US Biosci		

NEW LOWS 13

Cambrex	Fard wtyf1	GECap wtM	HMG Court
HalwdRty n	ImpHotV s	LSB Ind pf	MothsHd
NuHorizn wi	PrimeFncl	RobertMrk	TwoPesos

For investment information read THE MONEY REPORT every Saturday in the IHT

DATA: *Hopes Are Dashed for a Short U.S. Recession*

(Continued from page 1)

cline in production at their 300 member companies for the sixth successive month. At 37.1, the production index had sunk lower only in five months during the past 43 years.

The survey also reported that inflation was moderating because oil prices were dropping.

To Allen Sinai of Boston Co. economic advisers, the numbers unequivocally pointed to a recession that would be "deep, severe, widespread, full-fledged, and with inflation not a problem."

David Hale of Kemper Financial Services in Chicago quipped, "These numbers have finally aroused the animal spirits of Alan Greenspan."

The Federal Reserve chairman quickly abandoned his gradualist strategy of small, measured cuts in interest rates. The Fed cited the weak economy, sluggish trends in money and credit, and abating inflationary pressures when announcing the cut.

In addition to signaling an easing of credit by lowering the discount rate, the Fed moved in the market to lower the federal funds rate — the rate the banks charge each other on overnight loans — to 6¼ percent.

As the Fed hoped, banks quickly got the message and lowered rates they charge on loans rather than continuing to fatten their profits and build reserves.

Morgan Guaranty, one of the strongest banks in the United States, and First National Bank of Chicago led the reduction of prime rates to 9 percent from 9.5 percent.

One of the most important and least-known factors in determining how long the recession will last is whether banks have rebuilt their reserves sufficiently to loosen up on lending to their corporate customers. But the stock market evidently was betting that they would, because it held up Friday as all other markets went down with a thump.

Hugh Johnson of First Albany Securities said that since the war began, the market has been driven up by the belief that early military successes seemed to guarantee lower oil prices and hope that short-term interest rates would continue coming down.

"Will that be sufficient to start bank lending again?" he asked. "Some people are very optimistic that it will. But if it doesn't, and the economy deteriorates even further when stocks are as overvalued as they are now, some people are going to get badly burned."

CREDIT: *The Clash Over Policy*

(Continued from first finance page)

and the global economy by promoting investment, more vigorous economic growth and international trade.

The U.S. Treasury might push harder for coordinated economic policies within the Group of Seven industrial nations, consisting of the United States, Germany, Japan, Britain, France, Canada and Italy.

The war has made it more difficult to stay on the course toward a lower federal budget deficit and easier money; that may be one reason why Mr. Greenspan warned that if the war lasted through April, the nation could face a long and deep recession.

Another is that a prolonged war would be damaging to business, consumer and banking confidence, delaying any solution to the credit crunch.

Mr. Bush did not disclose any specifics of his proposals for shoring up the banking system this year. With the president preoccupied with the war and with the White House, Treasury, Fed and others tangled in controversy over banking changes, economic policy is being largely neglected.

The president turned to Mr. Greenspan, like a totemic figure, to head a commission that might help him in getting a cut in the capital gains tax through Congress.

In itself, the call for such a commission is of scant interest. But it may signal Mr. Bush's decision to reappoint Mr. Greenspan as Fed chairman when his term expires in August.

That move will also depend on whether Mr. Greenspan's Fed can extricate the president and the nation from a deepening recession if the war drags on.

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

France

Paribas

Year	1990	1989
Profit	4,100.	5,600.

Canada

Domtar

	4th Quar. 1990	1989
Revenue	321.00	396.00
Net Loss	263.00	27.00
Year	1990	1989
Revenue	2,310.	2,510.
Profit	(a)294.0	33.00
Per Share	—	0.24

a) loss.

United States

Donnelley (R.R.)

4th Quar.	1990	1989
Revenue	1,120.	977.50
Net Inc.	68.20	48.10
Per Share	0.88	0.67
Year	1990	1989
Revenue	3,950.	3,720.
Net Inc.	225.00	211.90
Per Share	2.91	2.85

1989 year net includes gain of $3.4 million.

Dow Chemical

4th Quar.	1990	1989
Revenue	5,150.	4,660.
Net Inc.	274.00	427.00
Per Share	1.01	1.59
Year	1990	1989
Revenue	19,890.	17,600.
Net Inc.	1,380.	2,490.
Per Share	5.10	9.20

Gannett

4th Quar.	1990	1989
Revenue	904.60	948.60
Net Inc.	117.30	127.40
Per Share	0.74	0.79
Year	1990	1989
Revenue	3,440.	3,520.
Net Inc.	277.00	397.50
Per Share	2.36	2.47

Grumman

4th Quar.	1990	1989
Revenue	1,120.	864.60
Net Inc.	14.70	14.80
Per Share	0.48	0.41
Year	1990	1989
Revenue	4,040.	3,560.
Net Inc.	65.40	67.30
Per Share	2.48	1.91

Johnson & Johnson

4th Quar.	1990	1989
Revenue	2,790.	2,470.
Net Inc.	222.00	202.00
Per Share	0.70	0.61
Year	1990	1989
Revenue	11,200.	9,760.
Net Inc.	1,140.	1,000.
Per Share	3.43	3.05

Electricity Stocks Generate Interest For Spaniards

Reuters

MADRID — Spanish electricity stocks should remain attractive to investors seeking a safe haven in 1991, due to profits boosted by tariff increases and a relatively small impact from the Gulf crisis, analysts said.

Daniel Molina, an analyst at Capital Markets, said, "Improved profits, cash flow and financial margins seen in 1990 will continue th' year, and the companies should be able to cut debt."

This will offset the impact of economic slowdown and the short-term effects of a planned restructuring of the sector, though yields will continue to be modest.

The sector performed well above the market average last year, falling only 5.8 percent against a 24.75 percent drop by the Madrid Stock Exchange general share index.

It has kept up the trend this month.

REPUBLIQUE DU NIGER
MINISTERE DES MINES ET DE L'ENERGIE
DIRECTION DE L'ENERGIE
MAITRE D'OEUVRE SOCIETE NATIONALE D'ELECTRICITE (NIGELEC), NIAMEY, B.P. 11202

AVIS DE PRE-QUALIFICATION
PROJET D'EXTENSION ET DE REHABILITATION DES RESEAUX MT ET BT DE LA ZONE DE MARADI - TESSAOUA - ZINDER

L'étendue de ce projet comprendra notamment, la fourniture et l'exécution des travaux pour:

- 14,30 km de câble 12/20 kV souterrain - 98,20 km de lignes aériennes 20kV
- 18,75 km de lignes mixtes MT/BT - 118,25 km de lignes BT
- 24 postes de transformation MT/BT - 6'500 branchements BT

Ces inventaire est préliminaire et sujet à la révision.

A cet effet, il est demandé à toutes les firmes ou sociétés spécialisées et suffisamment expérimentées dans le domaine des réseaux électriques et postes de transformation MT/BT, de présenter des offres de pré-qualification.

Les Entreprises intéressées par ce concours devront retirer le document de base de la préqualification au siège de la SGI (SOCIETE GENERALE POUR L'INDUSTRIE), Chemin des Délices 9, B.P. 133, 1000 Lausanne 13/SUISSE, contre paiement d'un montant de US$ 1000.— payable sous forme de chèque certifié ou en numéraire.

Les offres (un original et une copie) devront parvenir à SGI Lausanne à l'adresse susmentionnée au plus tard le 15 mars 1991 à 12h00 GMT.

Le financement sera assuré au moyen d'un emprunt 1880 NI de l'IDA.

NASDAQ

Friday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

AMEX

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a—dividend also extra(s).
b—annual rate of dividend plus stock dividend.
c—liquidating dividend.
cld—called.
d—new yearly low.
e—dividend declared or paid in preceding 12 months.
g—dividend in Canadian funds, subject to 15% non-residence tax.
i—dividend declared after split-up or stock dividend.
j—dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k—dividend declared or paid this year, an accumulative issue with dividends in arrears.
n—new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd—next day delivery.
P/E—price-earnings ratio.
r—dividend declared or paid in preceding 12 months, plus stock dividend.
s—stock split. Dividend begins with date of split.
sls—sales.
t—dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u—new yearly high.
v—trading halted.
vj—in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd—when distributed.
wi—when issued.
ww—with warrants.
x—ex-dividend or ex-rights.
xds—ex-distribution.
xw—without warrants.
y—ex-dividend and sales in full.
yld—yield.
z—sales in full.

هكذا من الاصل

هكذا من الأصل

Shell Joins Chinese in Refinery Project

Compiled by Our Staff From Dispatches

BEIJING — The Chinese government has approved a plan by the Royal Dutch/Shell Group and a group of five Chinese interests to build a $2.5 billion joint-venture petrochemical plant, the China Daily reported Friday.

A senior official from the China National Offshore Oil Corp. said the two sides would begin a feasibility study that would take at least a year, the newspaper reported.

Although China is largely self-sufficient in crude oil, its refining capability is almost nonexistent. The government recently said it welcomed foreign assistance in developing China's petrochemical industry.

Oil industry analysts said it would be difficult for the proposed refinery project to succeed, with the main hurdle being a shortage of domestically produced oil.

"It all depends on getting a steady, reliable flow of enough crude oil," a Western diplomat said.

"A lot of other Chinese petroleum plants are having problems getting crude and are running at only about 60 percent capacity," he noted.

The proposed project is to include an oil refinery with a five million ton annual capacity and an ethylene plant capable of producing 450,000 tons of chemical products annually.

It is to be located in Huizhou, in southern China's Guangdong province, and is expected to take four to five years to build. A starting date for construction was not given.

Shell will provide half of the $2.5 billion in investment needed for the project, while the Chinese group will provide the other half, the newspaper said.

China National Offshore Oil will hold a 20 percent stake in the Chinese side. The other local partners are China Petrochemical Corp., with 10 percent, China National Petroleum Corp., 10 percent, China Merchants Steamship Co., 5 percent and the Guangdong provincial government, with 5 percent.

China produced 138.3 million tons of crude oil last year, but output has risen slowly amid a sharp increase in demand. Offshore oil fields near Huizhou have so far produced only a small portion of the total output. *(Reuters, AFP)*

Japan's Money Machine Slows Down

Buying of Foreign Stocks And Bonds at 6-Year Low

Compiled by Our Staff From Dispatches

TOKYO — Japanese net purchases of foreign securities plunged by two-thirds in 1990 to the lowest level in six years, as the country's high interest rates kept money at home, the Finance Ministry said Friday.

Japanese investors bought $35.22 billion of foreign securities last year, down sharply from record purchases of $111.97 billion in 1989, a ministry official said.

The decline reflected sharply reduced buying of foreign bonds — including large net sales of U.S. bonds — and two months of record selling of foreign securities in September and October.

"Japanese investors were depressed by the Gulf crisis and uncertainty in the U.S. economy," the official said at a news conference.

Shrinking differentials between Japanese and overseas interest rates dampened the appeal of foreign bonds, while strong domestic demand for capital encouraged investors to keep funds at home, the official said.

Japan's current-account surplus also dropped sharply last year, so there was less surplus money to invest abroad, he said.

Total foreign securities investment was dragged down sharply by net sales of about $15.5 billion of U.S. bonds.

The decline, which contrasted with heavy Japanese buying of bonds to finance the U.S. budget deficit through much of the 1980s, was sparked by growing uncertainties over the U.S. economy, the officialsaid.

For the year as a whole, Japanese investors purchased $28.96 billion of foreign bonds and $6.26 billion of foreign stocks.

Overall net purchases were the lowest since 1984, when they totalled $30.8 billion.

Foreigners also were attracted by Japan's high interest rates last year. They were net buyers of $17.44 billion of Japanese bonds, the ministry said.

In contrast, foreign investors sold a net $16.08 billion of stocks, reflecting the impact of last year's big slide in Japanese stock prices. That left foreign investors as net buyers of $1.36 billion of Japanese securities.

In 1989, foreign investors made net securities purchases of $2.60 billion following three straight years of large net sales.

Japanese investors were big buyers of foreign bonds in December, reaching a net $8.01 billion. That was the largest monthly purchase of 1990 and was up from purchases of $1.76 billion in November.

(Reuters, AFP)

Oil Prices and Tourism Cut Current Account Surplus

Compiled by Our Staff From Dispatches

TOKYO — Higher oil import bills and booming overseas travel slashed Japan's current account surplus by 37.4 percent in 1990, Finance Ministry officials and private economists said Friday.

The ministry said the surplus in the current account, the widest measure of trade in goods and services, shrank to $35.79 billion last year from $57.16 billion in 1989.

It was the third straight annual decline, and a ministry official said the surplus is likely to continue shrinking.

Officials said Japan has been aiming to cut its current account surplus to $32 billion in the fiscal year ending March 31, and to $30 billion in the following fiscal year.

A ministry official said Tokyo's pledge to pay an extra $9 billion to help fight the Gulf war "will not affect economic activities, but will eventually cut the surplus."

The country's politically sensitive trade surplus also declined last year, but at a slower pace. Japan wracked up a surplus of $63.86 billion in trade in goods last year, down 17 percent from $76.92 billion in 1989.

Exports recorded their eighth straight year of growth, rising 3.9 percent to $280 billion. The gain reflected higher shipments of automobiles, auto parts and audio visual equipment, ministry data show.

Imports jumped 12.3 percent to $216 billion on booming Japanese purchases of foreign cars, airplanes and paintings.

The deficit in so-called invisible trade — services such as tourism and shipping — widened 45.5 percent to a record $22.59 billion.

The deficit in tourism alone was $21.33 billion. The Japan National Tourist Organization estimated 10.98 million Japanese traveled overseas last year while only 3.24 million foreigners visited Japan.

"Japan has become another Germany, in that spending by tourists going abroad is eroding gains in exports," said Yukihiko Shimada, an economist at the Wako Research Institute.

The sharp increase in oil prices following Iraq's invasion of Kuwait last August also made a dent in Japan's current account surplus, ministry officials said. Japan paid an average of $22.28 for each barrel of oil imported last year, up a third from $16.71 in 1989.

The current account surplus narrowed to $3.71 billion in December from $4.01 billion in December 1989, the ministry said.

(Reuters, UPI, AFP)

Central Bank Says No Change in Policy Needed

Compiled by Our Staff From Dispatches

TOKYO — The Bank of Japan will not change its monetary policy because five increases in the discount rate over the last two years have slowed down money supply growth, a senior central bank official said Friday.

The official spoke a day after the Bundesbank decided to raise Germany's discount rate by half a percentage point to 6.5 percent, and the same day that the Federal Reserve cut the U.S. discount rate by a half point to 6 percent.

The German hike was an adjustment to climbing market interest rates, which reflected increasing demand for capital in a robust economy, the official said.

The Bank of Japan last raised its discount rate to 6 percent from 5.25 percent on Aug. 30.

Japan's money supply in December grew at an annual rate of 8.6 percent, down from 10 percent in November and the third consecutive monthly decline in the growth rate.

A Finance Ministry official said the ministry was worried about inflationary pressures.

He said that although economic growth may be slowed by planned increases in oil, corporate and cigarette taxes to fund $9 billion in aid to the U.S.-led coalition fighting Iraq, the ministry hoped to avoid any change in monetary policy for the time being.

Economists said that prospects for a cut in Japan's discount rate could hang on the outcome of the country's spring labor negotiations.

The annual *shunto* decides nationwide pay scales for the year to come. This year the talks are taking place against a backdrop of climbing inflation and tight labor markets that is making the Bank of Japan decidedly jittery.

"There is not much scope to change interest rates until the shunto is over," said Paul Summerville, economist at Jardine Fleming Securities Ltd.

Fear of inflation is hardening labor's position while management faces declining profitability and is looking to cut costs.

Analysts expect the Japanese Trade Union Confederation to aim for wage rises of 8 to 9 percent during the talks, which are expected to end in April.

Those goals are close to what it asked for last year when unions won raises averaging 5.9 percent.

Economists said that if wage increases are much higher than 6 percent, the central bank will shy away from any rate cut.

"A shunto number right around 6 percent or just below will be an important level for the BOJ," said Soichi Enkyo, senior economist at the Bank of Tokyo Ltd. "Inflationary pressures will build if the shunto is above that level." *(AFP, Reuters)*

Korea Has A Record Trade Gap

Compiled by Our Staff From Dispatches

SEOUL — South Korea posted a customs-cleared trade deficit of $1.71 billion in January, the country's largest monthly shortfall on record, preliminary Trade Ministry figures showed on Friday.

Ministry officials attributed the large deficit mainly to an increased bill for imported crude oil and machinery.

Exports totaled $4.65 billion, compared with $7.01 billion in December and $3.96 billion in January 1990, while imports were $6.36 billion against $6.37 billion in December and $4.62 billion in January 1990.

The previous record monthly trade shortfall was $1.47 billion in November 1990.

"The Gulf crisis and the resulting higher oil prices made the nation's oil imports bill nearly double to about $700 million in January from a year ago," said Lee Hang Ro, a ministry official.

South Korea, which produces no oil, imports about 70 percent of its oil needs from the Middle East.

Separately, the Korea Development Institute said in a report that South Korea's economic performance in 1991 depends largely on crude oil prices, which will likely rise if the Gulf war is prolonged.

If crude oil prices stay at a stable $18 a barrel after a swift end to the war, South Korea's exports will rise by 9.2 percent, to $69.2 billion this year, the official report said.

In this scenario, imports are expected to rise by 10 percent to $71.6 billion this year, producing a $2.4 billion trade deficit, the institute said.

But if crude hits $23 a barrel, exports are expected to rise 8.4 percent from 1990, to $68.7 billion, and imports to rise 11.4 percent, to $72.5 billion.

(Reuters, AP, AFP)

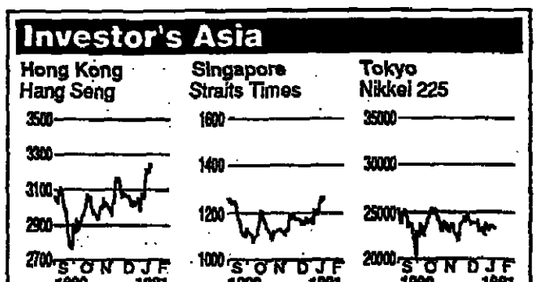
Prescott Replaces Loton As BHP's Chairman

Agence France-Presse

MELBOURNE — Australia's largest company, Broken Hill Pty., announced Friday that John Prescott would replace Brian Loton as chief executive and general manager on May 18.

Mr. Prescott, 50, has been head of steel operations at the diversified mining, petroleum and steel producer. Mr. Loton, 61, will remain deputy chairman.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	3223.49	3243.30	-0.61
Singapore	Straits Times	1267.72	1267.25	+0.04
Sydney	All Ordinaries	1302.50	1321.5	-1.44
Tokyo	Nikkei 225	23156.70	23293.14	-0.59
Kuala Lumpur	Composite	Closed	497.26	-
Bangkok	Book Club	598.20	582.12	+2.76
Seoul	Composite Stock	632.53	635.4	-0.45
Taipei	Weighted Price	4002.45	4023.72	-0.53
Manila	Composite	739.10	756.43	-2.29
Jakarta	Stock Index	383.63	383.02	+0.16
New Zealand	Barclays	1262.81	1266.27	-0.29
Bombay	National Index	514.95	499.87	+3.02

Sources: Reuters, AFP International Herald Tribune

Taiwan Plans to Ease Investment-Trust Rules

Reuters

TAIPEI — Taiwan plans to open up its investment trust industry, allowing new firms to be established, in an effort to reduce the stock market's notorious volatility, Securities and Exchange Commission officials said on Friday.

The commission has completed draft rules under which the new firms will be set up, the officials said. The body could begin examining applications as early as the middle of this year.

"We hope more investment trust firms will absorb funds from individual speculators, giving institutional investors a bigger share of the market," said one commission official. "This will make the market healthier and more stable."

Taiwan now has four investment trust firms, which account for about 1 percent of daily stock turnover, the commission official said. Institutional investors hold around half of market capitalization and account for about 10 percent of turnover.

The four firms, which operate funds for both foreign and domestic investors, were set up between 1983 and 1987. They are joint ventures between foreign and local institutions.

"We have delayed setting up more firms because it is a young industry and we didn't think it had enough expertise," the official said. "But our securities market has grown in recent years and developing investment trust firms has become vital."

Taiwan is in the middle of a program to revamp its bourse. In December, the cabinet passed a plan allowing foreign institutions to invest directly in local stocks.

The draft investment trust rules, which may be revised after consulting securities firms, would effectively require foreign participation in every new firm. But the total foreign stake in each firm could not exceed 49 percent.

Securities analysts said there was considerable local and foreign interest in establishing the firms.

Analysts also said a large number of new investment trust firms could eventually help to loosen the grip of rumor-driven, short-term speculation on the market.

"They would cause the market to move more in reaction to fundamental factors, and less in reaction to wild speculation," said Benjamin Chen, research analyst at Baring Securities (Taiwan) Ltd. "But the change will come over years rather than months. The new firms will not be set up all at once."

TO OUR READERS IN THE MIDDLE EAST

With the resumption of air services to the region, the IHT is now again available in:

SAUDI ARABIA

BAHRAIN

U.A.E.

OMAN

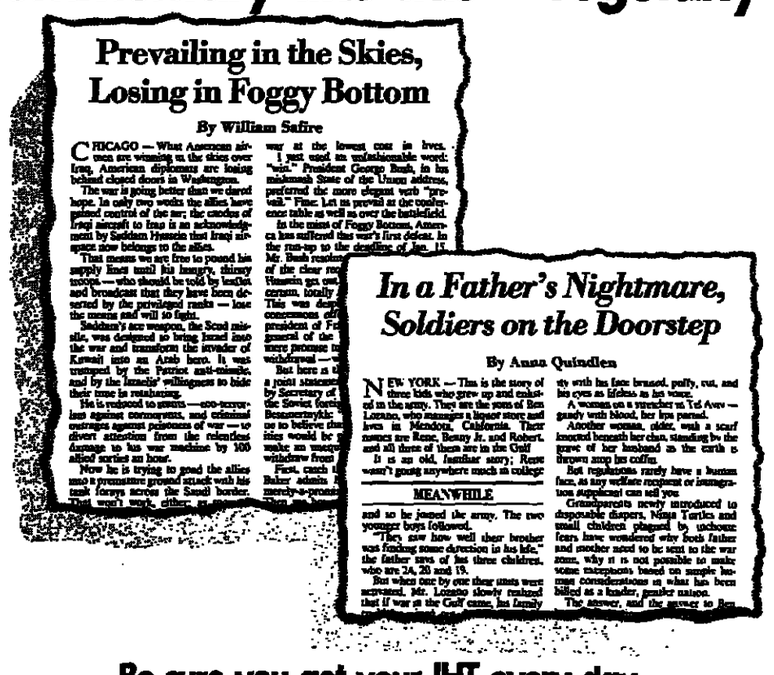
JORDAN

SYRIA

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

Shouldn't you be reading commentary like this — regularly?



Prevailing in the Skies, Losing in Foggy Bottom

By William Safire

CHICAGO — What American airmen are winning in the skies over Iraq, American diplomats are losing behind closed doors in Washington.

The war is going better than we dared hope. In only two weeks the allies have gained control of the air; the exodus of Iraqi aircraft to Iran is an acknowledgment by Saddam Hussein that Iraqi airspace now belongs to the allies.

That means we are free to pound his supply lines until his hungry, thirsty troops — who should be told by leaflets and broadcast that they have been deserted by the privileged ranks — lose the means and will to fight.

Saddam's ace weapon, the Scud missile, was designed to bring Israel into the war and transform the invader of Kuwait into an Arab hero. It was trumped by the Patriot anti-missile, and by the Israelis' willingness to hide their rage in retaliation.

He is reduced to arson — eco-terrorism against conveyance, and criminal contempt against parliament of war — to divert attention from the relentless damage to his war machine by 100 allied sorties an hour.

Now he is trying to goad the allies into a premature ground attack with his tank forays across the Saudi border.

In a Father's Nightmare, Soldiers on the Doorstep

By Anna Quindlen

NEW YORK — This is the story of three kids who grew up and enlisted in the army. They are the sons of Ben Lozano, who manages a liquor store and lives in Mendota, California. Their names are Rene, Benny Jr. and Robert, and all three of them are in the Gulf.

It is an old, familiar story: Rene wasn't going anywhere much in college

MEANWHILE

and so he joined the army. The two younger boys followed.

"They saw how well their brother was finding some direction in his life," the father says of his three children, who are 24, 23 and 19.

But when one by one their units were activated, Mr. Lozano slowly realized that if war in the Gulf came, his family

Be sure you get your IHT every day.
Subscribe now and save up to 50%.

Herald INTERNATIONAL Tribune

Country/Currency		12 months (+52 issues)	ONE-YEAR SAVINGS	6 months (+26 issues)
Austria	A. Sch.	5,100	4,080	2,800
— hand delivery Vienna	A. Sch.	5,400	3,700	3,000
Belgium	B.Fr.	11,000	9,000	6,000
Denmark	D.Kr.	2,100	1,260	1,700
Finland	F.M.	2,000	1,640	1,100
France	F.F.	1,400	1,494	800
Germany (mail)	D.M.	600	492	330
— *hand delivery	D.M.	810	702	456
Great Britain	£	158	123	87
Greece (mail)	Dr.	40,000	32,800	22,000
— hand delivery Athens	Dr.	50,000	22,800	28,000
Ireland	Pnt.	155	173	85
Italy	Lire	420,000	290,800	230,000
Luxembourg	L.Fr.	11,000	9,600	6,000
Netherlands	Fl.	600	588	340
Norway (mail)	N.Kr.	2,500	1,860	1,400
— **hand delivery	N.Kr.	3,000	1,308	1,650
Portugal	Esc.	31,000	24,500	17,000
Spain (mail)	Pes.	25,000	20,700	19,200
— ***hand deliv. Barcelona Bilbao, Seville, Valencia	Pes.	28,000	25700	20,900
— ***hand deliv. Madrid	Pes.	34,600	—	27,300
Sweden (mail)	S.Kr.	2,200	1,884	1,230
— **hand delivery	S.Kr.	2,800	1,704	1,540
Switzerland	S.Fr.	350	319	275
Rest of Europe, N. Africa, Iran, French Africa, Middle East	$	300	Varies by country	275
Rest of Africa, Gulf States, Asia	$	600		355
Central/Latin America	$	600		330

Yes, I want to start receiving the IHT.
This is the subscription term I prefer (check appropriate boxes):

☐ 12 Months (364 issues in all with 52 bonus issues).
☐ 6 Months (182 issues in all with 26 bonus issues).
☐ My check is enclosed (payable to the International Herald Tribune).
☐ Please charge my: ☐ American Express ☐ VISA ☐ Diners Club ☐ Access ☐ MasterCard ☐ Eurocard

CARD EXPIRY DATE _____ SIGNATURE _____
CARD ACCT. NO. _____
NAME _____
ADDRESS _____
CITY/CODE _____ COUNTRY _____
TEL./TELEX/FAX _____

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.
This offer expires March 31, 1991, and is available to new subscribers only.

For subscription information in the U.S., call toll-free 1-800-882-2884.

2-2-91

* For information concerning special hand-delivery in major German cities call IHT Germany at: (069) 69.48.92 or fax (069) 69.48.94. Rates do not include free issues.
** At these rates, you can get morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Goteborg and Malmo.
*** At these rates, hand delivery is available by morning in Barcelona, the same day in Seville and the next day in Bilbao and Valencia. For Madrid, hand-delivery is available by morning, but without the free issues.

Herald INTERNATIONAL Tribune

Saturday-Sunday,
February 2-3, 1991
Page 14

THE MONEY REPORT

FIRST COLUMN

When Markets Vie With War For Attention

THE world's financial markets and the world at war had been running in an uneasy parallel until this week. With the first air raids on Iraq the price of oil could almost have been measured as an index of the bombs that fell.

From then on the world was glued to its television — and its dealing — screens. The horrified fascination with which television viewers have seen the war reported found an echo in the compulsive behavior of traders in key commodity and equity markets who stayed up all night to trade through two or three entire sessions. Financially, the war had become a giant soap opera, with the dealers unable to wait to see just which figure would appear on their screen next.

All that changed this week.

The notoriously short attention span of television viewers was a factor in the reintroduction of sport onto program news schedules. The complaints of viewers that there is simply too much coverage of the war are already beginning to be heard.

So, too, the financial markets have decided that enough is enough. For attention span, substitute expectation, or the convenient phrase "fresh factors." The markets decided that they had discounted at least the amount of bad news to come thus far from the Gulf. They wanted to focus on something else.

Instead of the Superbowl the markets rediscovered interest rates in Europe. Despite the German decision to increase the cost of money there were significant upward moves across the board.

Even the outbreak of war on the land was not enough to dampen the markets' enthusiasm. It is unlikely the war will have significant investment consequences again until new heights of devastation are reached.

This week the world of finance has behaved like a teen-age video viewer reaching for the fast forward button: The Gulf may have been interesting, but now it just isn't happening quickly enough to matter.

Reacting to Airline Shares, a Sensitive Sector in Wartime

By Conrad de Aenlle

THE airline industry has a lot of excess baggage to tote around these days — too bad it's not on the planes. Since the Gulf war began, worries about acts of terror have combined with the anemic world economy and usual off-season sluggishness to cut international traffic by one-fifth to one-third, analysts said.

Even before the fighting started, the recession and leaping oil prices left many of the strongest carriers with record losses and forced several of the weakest ones into bankruptcy. In a bid to attract business fares are being pared to the bone — for the London-New York trip British Airways introduced a $249 round trip fare this week.

Coming from what has been a near bottom level — with the exception of a vigorous Sothwest — U.S. air carriers' shares have been conspicuously buoyant during the market's rally since the war began two weeks ago. The Dow Jones average of 20 transportation stocks rose around 3.7 percent through the weekend.

Non-U.S. carriers, which generally had a better year than their American counterparts, have underperformed over the short term — depresing the air transportation sector of Morgan Stanley's world market index to a gain of just 0.4 percent last week.

Kevin Murphy, who assesses the industry for Morgan Stanley & Co., said one reason is that airline issues tend to be "early-cycle stocks" whose investors see the world not as it is now, but as they think it will be later on.

"The stock market in general tries to predict the future," he said. "Typically, airlines discount news six and a half months before the economy goes up." What investors are saying, then, is that they expect the economy to pull out of recession sometime in the summer.

Mr. Murphy said that "1991 should be a mirror image of 1990, which started out in a strong mode and fell apart; 1991 started out terrible," with the recession and high fuel costs, but promises to finish well.

Terrible is the right word for it. Helane Becker, an airline analyst at Shearson Lehman Hutton, said her brokerage was estimating that fourth-quarter losses for the U.S. airline industry would amount to $2 billion when all the figures are in. The shortfall should narrow to $700 million in the first quarter.

But she agreed with Mr. Murphy that investors were discounting all that bad news: "The conclusion is that recovery will start in the second half of this year."

A rebounding economy will not be enough to save some carriers. It would take a miracle. Eastern Airlines, in bankruptcy nearly two years, has ceased operations and is arranging to sell its assets. Pan American and Continental are in bankruptcy as well, and several others, including Trans World, are also on shaky footing.

Ms. Becker said there was a good chance that Pan Am and TWA will follow Eastern on its one-way flight into oblivion. She said that the survival of Continental and the small carrier Midway Airlines was also in doubt.

If and when they go, the larger and healthier U.S. carriers will rush in to pick up the pieces, the valuable gates and routes that are the most precious of airline assets. The ones in the best position to do that, Ms. Becker said, are American, United and Delta, and possibly Northwest, "if it can find the cash." They have long been considered the "Big Four" American carriers.

After they cannibalize their fallen rivals, Mr. Murphy said, the survivors of the consolidation should be left with less competition and thus higher ticket prices and profits.

Tim Coombs, a transportation analyst at the British brokerage County Natwest Wood Mackenzie, agreed that the shakeout may leave the Big Four with "a big chance to make some money at last," but for investors to bet on a revival in the industry right now would be "a rather brave decision."

"Really nothing has changed there," Mr. Murphy said. "I don't see any foreign airline being enticed into the American market."

Mr. Coombs agreed: "I think the chances of other carriers at the moment investing in U.S. airlines will be remarkably slim.

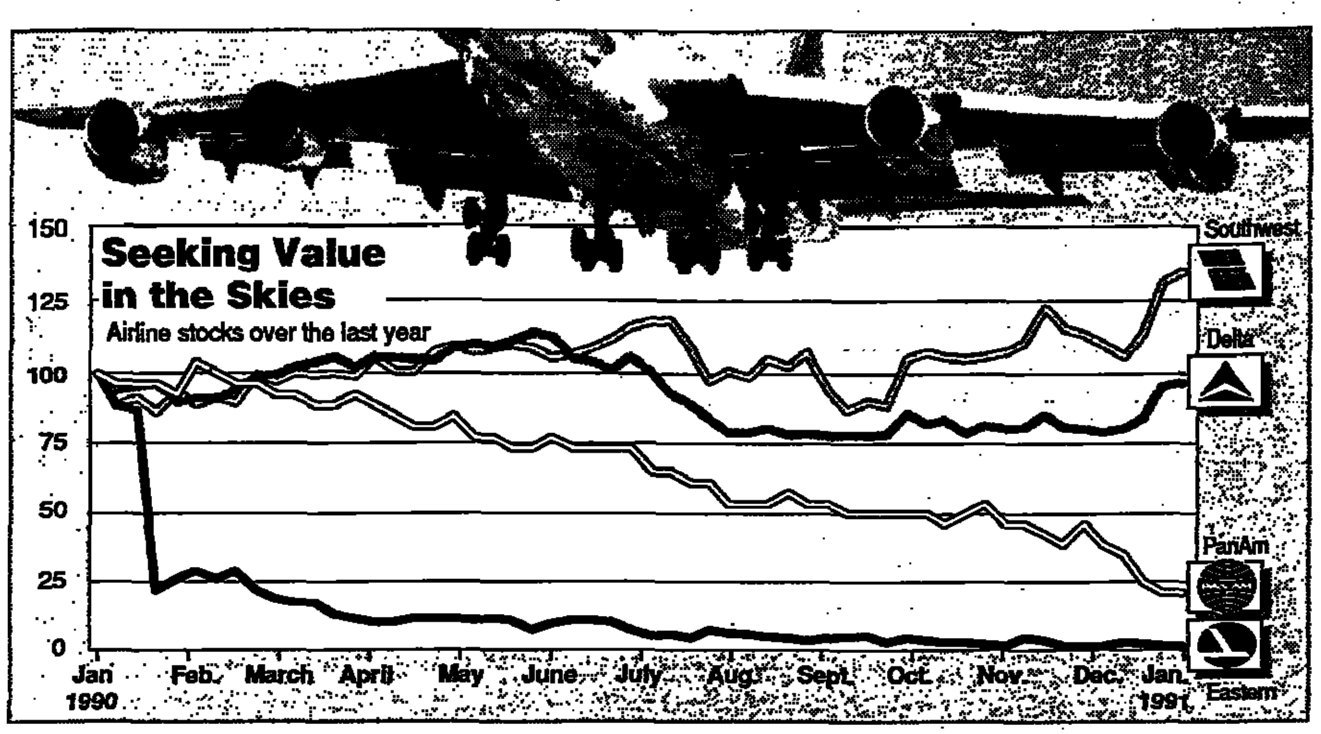
"The state of the U.S. carriers themselves is unclear, given conditions in the Gulf," he went on. "If you think the Gulf war is going to end tomorrow, you'll go buy airline shares. I'm certainly not telling my clients to buy them."

It is just that expectation of a mercifully brief war, and of low, stable oil prices, that has helped to push airline issues higher since it started.

The cost of fuel is one of the most critical figures on an airline's balance sheet. It makes up 15 percent of expenses, Mr. Murphy said. For each penny by which a gallon (about 3.8 liters) of aviation fuel rises or falls, the industry loses or gains $160 million a year.

A change of $1 per barrel in the price of crude oil is supposed to correspond to a change of three cents per gallon of aviation fuel. Crude has plummeted since the war started, but the price of aviation fuel has not fallen according to the formula.

The problem, Mr. Coombs said, is that the capacity to refine aviation fuel has dropped considerably, because one of the biggest refiners is out of action: Kuwait. Also, all those high-powered fighters and bombers blasting away at Iraq eat up a lot of fuel, the equivalent of a million barrels of oil a day, Mr. Murphy said.



"Oil will be pretty volatile the next couple of months," he said. But then, "postwar, for Iraq and Kuwait to rebuild their economies, they have to sell oil." There could be a glut, he reckoned, that will knock the price of oil down to a cheap $15 per barrel.

Of course, cheap fuel won't help much if a lot of passengers are afraid to fly, which seems to be the case since threats made by terrorist organizations allied with Iraq.

MR. COOMBS said that concerns about an attack are indeed taking a toll on European airlines, but that there is "less of a perceived threat of terrorism" on American carriers because more of their business is domestic.

In any event, Mr. Murphy said this politically inspired fear of flying is "looked on as a nonrecurring event" by investors that has already been factored into airline stock prices.

That thinking may change if there is an attack on a plane. Ms. Becker noted that Pan Am was never able to shake the effects of the bombing of its Flight 103 over Scotland two years ago.

Business "didn't fall off for anybody but Pan Am," she said, but the decline was responsible, at least in some measure, for the difficulties that threaten its survival today.

A more serious threat to the industry than terrorism could be if the recession proves deeper or longer than most observers are anticipating.

"If the slowdown lasts into 1992," Mr. Murphy said, "that could be the fake-out. The major uncertainty now is not oil wells blowing up in the Gulf, but the recession."

His best guess, though, is that business will go well as the year goes along, and he recommended four airline issues: American, Delta, United and Southwest.

Ms. Becker said she liked those same four, plus America West Airlines.

Mr. Coombs had just one recommendation, tersely put: "Avoid."

ADVERTISEMENT

INTERNATIONAL FUNDS

February 1, 1991

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: d - daily; w - weekly; b - bi-monthly; r - regularly; t - twice weekly; m - monthly

Other Funds

AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; CS - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; LIt - Italian Lira; LF - Luxembourg Francs; p - pence; Ptas - Pesetas; SGS - Singapore Dollars; SF - Swiss Francs; Y - Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price incl. 3% prelim. charge; ++ - Paris exchange; ++ - Amsterdam exchange; e - misquoted earlier; x - not registered with regulatory authority

To our fund listers

Both the fax and telex numbers for updating funds prices have changed. Please now send these to:
Fax (33-1) 40 28 07 77
Tlx 215 326 (MPAL F).

For information on how to have your fund listed, fax Simon OSBORN on (33-1) 46 37 52 12.

هكذا من الأصل

هكذا من الأصل

THE MONEY REPORT

Risk Investing via Political Scoops

By Robert C. Siner

WORRIED about your business interests in Egypt? Need the latest scoop on the political and economic outlook there in light of the war with Iraq?

Unless you have a direct line to the CIA, your best bet is to ring up the Political Risk Services data base via Data-Star. The service is a kind of electronic library that will give you a comprehensive country report including the political and economic outlook, social conditions, investment, regime stability and just about everything else that could have a bearing on your business interests in any of 85 countries.

The reports are put out annually and updated as events warrant. They are written by a network of 250 experts — three for each country. These experts are drawn from business, universities, and government and diplomatic services and must have 15 to 20 years' experience with the country about which they are writing.

Full reports run between 45 and 75 pages (the report on Egypt was 50 pages long) and include 18-month and five-year political and economic forecasts, economic and social indicators, risk analysis, sources of power, taxation, trade restrictions and much more.

In addition the Political Risk Services data base includes various U.S. government publications including "Background Notes" from the State Department "Foreign Economic Trends" and "Overseas Business Reports" from the Commerce Department. and the CIA's "World Factbook." (So you do have a line to the CIA, albeit an indirect one)

It also provides access to the "International Tax Digest" and "Currency Quarterly" from Eurostudy Publishing of London.

Political Risk Services is only one of over 200 data bases available through Data-Star, a comprehensive business-oriented information service from Radio Suisse AG of Berne. The Data-Star service began in 1981 and is available all over the world.

It is a unique business-oriented service that provides detailed information in the areas of business news, financial information, market research, trade statistics, and business analysis. It allows investors and entrepreneurs to keep up with the latest developments in health care and pharmaceuticals, biomedicine and life sciences, chemical information and the chemical industries, biotechnology and general technology.

The Data-Star's electronic libraries run the gamut from the pop culture of USA Today to the highly technical biotechnical, chemical, electronics and engineering abstracts and the abstruse Turing Institute Artifical Intelligence Abstracts. Each data base can contain over 2 million documents from thousands of newspapers, newsletters and journals.

To hook up to Data-Star you need an ordinary phone line, a personal computer or desk-top terminal, basic communications software and a modem. You will also need access to a data communications network that is available in most countries on request from the local telecommunications authorities.

The cost of the service varies from data base to data base ranging from $20 per hour for USA Today to $171 per hour for the Chemical Business News Base. Most of the charges do fall in the higher end of that spectrum. In addition there is usually a charge for each item displayed. There are discounts both for volume use and for use during off-hours and there are no charges for viewing titles or tables of contents and the help services provided by Data-Star are free.

Political Risk costs $107 per hour plus extra charges for viewing segments of the text. In all a compelte country report would run you around $300.

If you don't have much experience using on-line data bases, Data-Star can provide you with a teach-yourself floppy disk that allows you to learn the basics of data searching without having to connect to the system.

If you just can't cope with the complexities of on-line data searching, Data-Star has developed a simplified system.

As for the Egyptian political and economic outlook, all three members agreed that the situation would remain stable over the next 18 months with new trade and investment restrictions unlikely. However, member C., the specialist in international finance, was less optimistic about the long-term prospects because of the "devastating effect of the Iraq crisis and the increased possibility of internal violence."

The Analysts' Prognosis 1992-1996

Country	Regime (probability)	Likelihood of Turmoil	Transfer	Investment	Export	Real GDP Growth	Inflation	Current Account
Argentina	Menemista 50%	Very High	D+	D+	D	3.0	100.0	-1.5
Ireland	Fianna Fail 60%	Low	A+	A+	A+	3.2	4.5	+0.6
Poland	Walesa 45%	Moderate	B	B-	B-	3.2	8.0	-0.5
Singapore	Goh Chok Tong 50%	Low	A+	A+	A+	6.0	4.0	+1.0

Regime. The figure shown is the analysts' estimate of the probability that the political regime will remain in power over five years.
Turmoil. This term includes large-scale protests, general strikes, demonstrations, riots, terrorism, civil war, etc.
Transfer. The risk inherent in financial transfer includes non-convertibility of local currency into another currency, and the inability to transfer assets outside a country. 'A' countries have no exchange controls. 'D' countries have heavy exchange controls.
Investment. The risks for foreign investors in local joint ventures or subsidiary companies. 'A' countries have few share ownership restrictions. 'D' countries have considerable restrictions.
Export. The risks for exporters, including market conditions and difficulty of receiving payment.

Source: Data-Star

BRIEFCASE

Goldman Sachs Launches A New Instrument, SIGN

Investment house Goldman Sachs has launched a new instrument called SIGN (an acronym of stock index growth notes), which offer limited risk participation in a stock market rise, while guaranteeing investors' capital. One million SIGNs have been issued, for a duration of five and a half years.

Investors are guaranteed to receive their prinicipal, plus an interest payment based on the price of the S&P 500 index. If the index rises 10 percent by the expiration date of the notes investors will receive $11 for every 10 invested. The notes are guaranteed by the Republic of Austria, which is rated a triple-A credit risk — the best possible.

A key advantage the notes have over a call option is the guaranteed return of capital. A call option is generally worthless if the market falls. An offsetting disadvantage is that the notes must be paid for in full, unlike many types of option.

The SIGNs will be listed on the New York Stock Exchange.

For more information, broker contact.

Rolinco Marks 25th Year With Special Funds Offer

Robeco, the giant Dutch mutual fund group, is celebrating the 25th birthday of its stock growth fund Rolinco by making a special offer to investors in its funds.

Until Feb. 8 investors can participate in Rolinco and pay just a reduced commisssion charge of 0.25 percent, compared to the usual charge of 1-0.5 percent for small investors.

Minimum investment for non-Dutch investors is Swiss Fr 10,000 ($8,000) or equivalent in any major currency.

Of 65 S&P Industry Groups Only 22 Outperform Market

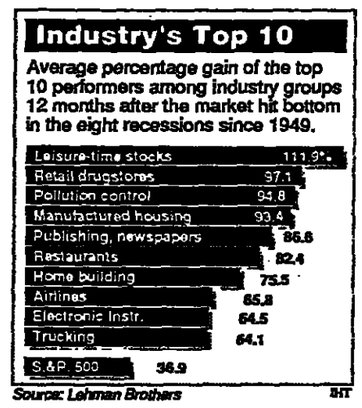
If the Gulf war lasts until mid-April the recession in the world economy will be deep and severe, said Alan Greenspan, the chairman of the Fderal Reserve Board, this week.

But what happens in the stock market when — deep or shallow — the recession ends?

Of the 65 industry groups defined by Standard & Poor's, only 22 tend to consistently outperform the market after it hits bottom, according to Elaine Garzarelli, a market analyst with Lehman Brothers in New York and manager of the $500 million Sector Analysis Portfolio.

When Ms. Garzarelli looked at how the S&P 500 stock index performed after each of the eight recessions since 1949, she found that, on average, 22 industry groups had far surpassed the S&P index 12 months after the market trough.

Ms Garzarelli is so confident of the results that she has divided the money in her mutual fund evenly among the 22 groups, and has also bet a chunk of her own money.



States Urged to Delay Filing Of Taxes for Gulf Servicemen

American and British forces in the Gulf of course have have life and death matters on their hands. But financial cares at home look set to be soothed for both sets of soldiers.

Professional services firm Ernst & Young is contacting state government leaders to urge the extension of state and city income tax filing deadlines for participants in Gulf operations. The firm is proposing that returns be filed 60 days after the forces return from the Gulf.

And British Prime Minister John Major this week revealed proposals that the U.K. military in active service be exempted from the recently introduced — and extremely unpopular — poll tax.

Ernst & Young Brings Out Tax Guide With Tips for '91

For the nonmilitary faced with tax problems, Ernst & Young has just produced its tax guide for 1991.

At a retail price of $12.95, the guide contains the official IRS tax guide, with explanatory text, plus a mass of tax-saving tips, and simple instructions on the mechanics of how to fill out your tax form.

German Health Sector Set To Protest Discount for East

The teething troubles of German unification continue.

The German private health insurance sector is mobilizing itself to protest against new laws that provide a 55 percent discount on medicine in the eastern part of the country for people with state-backed insurance policies.

German health care is among the most expensive in Europe.

Mexican Market Leads Latin American Upswing

By Judith Rehak

OVERRIDING the Gulf crisis and recession in the United States, Latin America's fledgling stock markets turned in some noteworthy performances in 1990 — for better or worse.

Among the stars was Mexico, up 25.2 percent. This week the Mexican government announced that the market will soon be asked to absorb the privatization of at least three of the 18 nationalized banks. Chile added 31.4 percent, and Venezuela's tiny stock market surprised just about everyone by soaring an astounding 665 percent. There were even some kind words for Brazil, the world's worst market, down 67 percent. Despite that track record Brazilian government officials were in Europe this week talking up the launch of the country's privatization program. The Brazilians want ot raise $7 billion this year, with another $11 billion planned for 1992. Argentina fell back 37 percent, but that market also has its admirers.

Much of the market action was driven by foreign investors, giving added credibility to Latin America as an investment option and showing how its long-standing image as home to military dictators and economic chaos is fading.

Chile continues to be the pacesetter of the Latin American renaissance. Its privatization program essentially completed, and boasting a successful return to the Eurobond markets after nine years, Chile attracted a record $898 million in foreign capital in the first three quarters of 1990, a 55 percent increase over the same period in 1989. Mark Lightbown, who runs the London-listed Genesis Chile Fund notes that inflation was held down to a creditable 28 percent, despite the country's vulnerability as a net oil importer. Economic growth slowed to only 1.2 percent, a decided relief after the overheated 10 percent rise in 1989, and is expected to resume at a less inflationary 3-5 percent in 1991.

Mr. Lightbown's Chile fund was only one of a rush of investment funds that poured more than $300 million into the Santiago Bolsa last year. Investors were well rewarded, however. According to Lipper Analytical Services, the Genesis fund's net asset value was up 33.5 percent at year's end. Its American counterpart, the Chile Fund, posted a 26.40 percent total return, making it the second-best closed-end fund performer in the U.S.

Closer to home, for U.S. investors at least, there was the revelation that long-neglected Mexico is instead finding stability in its role as an oil producer during the Gulf crisis and the realization that President Carlos de Gotar intends to make good on his promises of Free-market policies and alleviation of Mexico's staggering debt.

The country's improved fortunes were reflected in the New York-listed Mexico Fund, where a total return of 28.30 percent won it the top spot in closed-end equity fund performers for 1990. Now trading at $15 a share, the fund attracted few buyers at $4 a share only two years ago, when Mexico's staggering debt and inflation made its future seem bleak.

The biggest Latin America bonanza in 1990 came to the few who had the foresight — and the nerves — to take a stake in Venezuela's stock exchange. Driven by a takeover battle for a major bank, Banco de Venezuela, and the unexpected bonus of higher oil revenues for the country, an OPEC exporter, the market shot up 555 percent. It was a stunning turnaround from 1989, when an austerity program and currency devaluation caused the market to plunge 35 percent, leaving shares greatly undervalued. Many observers believe the Caracas Stock Exchange could see higher prices again this year.

At the opposite end of the scale are Brazil and Argentina, described as "marching to their own cycle of internal events," by Mr. Lightbown of Genesis. The Brazilian economy is in severe recession, the result of President Fernando Collor de Mello's draconian plan to tame hyperinflation by freezing bank accounts and curtailing government spending. While he hopes to bring inflation, officially estimated at 1,200 percent last year, down to 25 percent in 1991, private economists are predicting something in the range of 300-500 percent.

Yet both Mr. Lightbown and Edmund Games, who runs the New York-listed Brazil Fund, see possibilities in this grim scenario. The attraction? "At least 50 major companies are trading at 10 percent or less of book value," Mr. Lightbown points out.

For the growing band of Latin American enthusiasts, the options for participating in Latin America's improving fortunes are expanding. Five single-country funds covering Chile, Mexico and Brazil are listed in the U.S. Two diversified funds are the Latin America Investment Fund, listed on the New York Stock Exchange, which invests in both equities and sovereign debt, and the London-listed Latin American Investment Trust, which targets six countries. The newly launched First Mexico Income fund, listed in Amsterdam, will be 75 percent invested in Mexican debt obligations, and the Sovereign High Yield Investment Company, an open-ended vehicle listed in London targets debt obligations primarily for Mexico, Argentina, Brazil and Venezuela.

Stock Index Funds Brave a War Market

By Judith Rehak

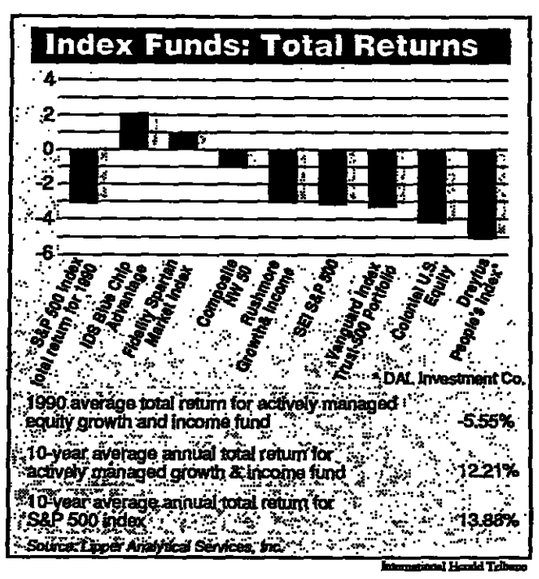
INVESTORS both large and small have emerged from cover this week as the markets decide that while the war in the Gulf may be horrible, they aren't that scared of it.

Most of the active switching of money from shares to cash came from the stock picking mutual funds — the funds that try to stay ahead of the market. But those in one group seemed content to sit tight. Stock index funds — which aim to perform exactly as the market does — were chugging along steadily.

"Only seven of our 26 equity funds have had cash inflow in the recent past and the strongest by far was our S&P 500 index fund. Redemptions have been minor," says John Woerth, a spokesman for the Vanguard group. The mutual fund company's $2.1 billion index fund is the biggest and oldest in the industry.

A new arrival in the index fund arena, the $31 million IDS Blue Chip Advantage Fund, reported new money coming in from Jan. 1 as being in line with its usual inflow, and redemptions running at around 7 percent of purchases.

Stock index funds have long been the sleepers of the investment world. They seek to replicate market benchmarks like the Standard & Poor's 500-stock index by buying the same stocks and maintaining the same industry weightings. Their portfolios are passive, meaning that stocks are bought and held, only being adjusted to match the index — for better or worse. The S&P 500 is the most commonly tracked index, but funds also copy bond, small cap stocks and international equity indexes.



The top-rated performance of the oldest stock index fund, Vanguard's $2.1 billion S&P 5000 Portfolio, makes the strongest case for passive investing. The fund has outperformed the average equity fund in eight of the last 10 years, turning in an annualized total return of 13.47 percent for the 10 years to year-end 1990. The annualized total return for an actively managed growth and income fund in the same period was 12.21 percent.

Vanguard has also endeared itself to investors because of its penchant for keeping fees to a bare minimum, something many of its index fund competitors are emulating, if only for a certain period. Its S&P 500 fund has no sales or redemption charges, and its expense ratio last year was a low 0.21 percent, compared to 1.5 percent for a typical equity fund.

In a flurry of activity last year, big names like Fidelity and Dreyfus rolled out their own index vehicles, but since they offer scant profit for sponsors, many consider some of the newcomers to be more of a reluctant competitive move.

Fidelity and Dreyfus "were brought in kicking and screaming," insists Gus Sauter, who oversees core investments and Vanguard. Eric Kobren, editor of Fidelity Insight, a newsletter that follows the giant fund group's activities, notes that it never promoted its Spartan Market Index fund aggressively. "It's a no-brainer and their culture is that they like to be paid to do things better than other people," he observes.

The Dreyfus People's Index Fund fared even worse, garnering assets of only $37.6 million by year's end, and turning in one of the lowest total returns for the group, minus 5.1.

A more noteworthy newcomer was the $31 million IDS Blue Chip Advantage Fund, and "enhanced" hybrid of passive and active management. According to its manager, Stuart Sedlacek, his portfolio emulates the same industries and weightings as the S&P 500, but buys only the stocks selected by IDS analysts in each sector.

Financial advisers also say investors considering index funds must commit for the long term, and only after carefully doing their homework on the all important fees, which affect how closely the fund tracks its benchmark. Index investors will have a larger universe to chose from as well. Charles Schwab & Co., the discount brokerage, has a stock index fund in registration and a second enhanced fund on the drawing boards, and IDS is planning enhanced index funds for high-grade and low-grade bonds. Vanguard, the biggest player, offers funds based on bond, small cap companies and European and Pacific indexes.

Environment Bubble Bursts In a Good Week for Shares

By Martin Baker

THE third week of war in the Gulf has underscored the fact that, even financially, no real winners have yet to emerge from the conflict.

The advent of the second bout of oil pollution in the Gulf saw a brief flurry of interest, particularly in Japan, in stocks which the market saw as potential beneficiaries from a massive cleaning up operation. Manufacturers of oil-absorbent resins and producers of rubber, from which oil fences are made, benefited early in the week.

But a combination of factors saw most of those shares fall back in later sessions. The warm waters of the northern Gulf and a strong tidal movement helped break up the slick. Sentiment also cooled at the prospect of any clean up being set in the indeterminate future, after the war ends.

Japan finished the week on a downbeat note. Stocks fell back across the board, and the Nikkei Dow index lost 136.44, or 0.56 percent, to finish Friday at 23,156.70. In the absence of more dramatic news for the Gulf, traders' attentions focused on the difficulties of Russian leader Mikhail Gorbachev and the German Bundesbank's decision to raise its discount rate by half a point to 6.5 percent.

Japan was joint worst performing stockmarket in what has been a buoyant week for shares. The Tokyo market tied with Italy for last place among world markets, according to Morgan Stanley Capital International's statistics. Shares in Tokyo and Milan added just 0.4 percent in dollar terms.

Sweden, which has been especially badly hit by oil fears and recessionary gloom, bounced back with a gain of 8.7 percent. Wall Street added 2.7 percent after three consecutive days of gains.

Most world industry sectors showed a rise, but energy stocks lost ground, and gold mines were 4.9 percent worse.

GUINNESS FLIGHT TOP PERFORMING INTERNATIONAL MONEY FUNDS

All funds top quartile over 1 and 3 years to 01.01.91 : FINSTAT.

	Yield %*
Sterling	14.3
Swiss Franc	7.8
Deutschemark	8.4
Yen	7.9
US Dollar	7.1

*Yields quoted are for 7 days compounded to 01.02.91 annualised. Past performance is not necessarily a guide to the future, yields may fluctuate.

Tel: Guinness Flight, P.O. Box250, Guernsey, CHANNEL ISLANDS. Tel: 0481-712178.
Please send me Money Fund details
NAME
ADDRESS
IHT-01

Issued by Guinness Flight Global Asset Management Limited, a member of IMRO and Lautro, and investment adviser to Guinness Flight International Fund Limited - a Guernsey 'A1' Authorised and UK Recognised Collective Investment Scheme.

Your money can now earn up to

12-375% PA

with Lombard

If you have £1,000 or more to invest your money could be earning a handsome 11.500% pa in a Lombard One Year Fixed Account. The rate is fixed and guaranteed not to change during the period of the deposit. Interest is paid as a lump sum at the end of the period.

Or perhaps you would prefer to have your savings more readily available. Our 14 days notice account, minimum £5,000, pays an attractive variable rate, currently 12.375% pa, credited quarterly, equivalent to a compound annual rate of 12.961%.

Whatever your needs there is sure to be a Lombard account from our comprehensive range of sterling savings and deposit accounts to meet your requirements.

Don't miss this opportunity to put your money to work — write now for a copy of the Lombard Savers & Investors brochure No. 1298 or simply complete and post the coupon.

As an additional benefit for overseas residents all interest is paid without deduction of tax.

Rates shown are correct at the time of going to press, but may vary. Details of our current rates are available on request.

Lombard
The Complete Finance Service
18A

Deposit Accounts

To: Stephen Carter, Lombard North Central PLC, Banking Services Department 1298, 38a Curzon St. London W1A 1EU England. Tel: 0737 776861

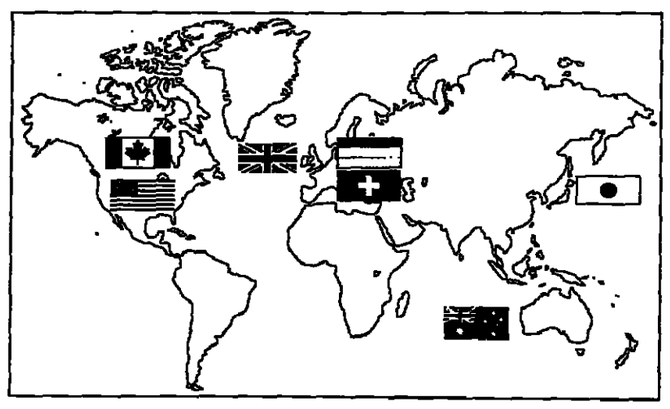
Please send me without any obligation a copy of your Savers and Investors brochure and current rates. (PLEASE WRITE IN CAPITAL LETTERS)

NAME (Mr/Mrs/Miss/Ms)
ADDRESS

Registered in England No. 337004. Registered Office: Lombard House, 3 Princess Way, Redhill, Surrey RH1 1NP, England.
A member of the National Westminster Bank Group whose capital and reserves exceed £5,900,000,000

¥ $ £

LET CURRENCIES WORK FOR YOU NOT AGAINST YOU.



ED & F Man announce the launch of a new fund, Athena Guaranteed Currencies Limited.

This fund provides an investment outside the volatile stock and bond markets. It also offers investors the added security of the return of their initial capital, at maturity — thanks to Man International's proven concept of combining US Treasury Zero coupon bonds with investments in the international futures and forward markets.

Currencies do not follow the trends of the stock market. In fact, currencies can produce growth when stocks and bonds are down. Therefore by investing in the currency markets, it's possible to diversify your portfolio away from the uncertainties of world stock and bond markets.

Athena Guaranteed Currencies Limited uses the most sophisticated currency trading techniques available, developed by Adam Harding & Lueck (AHL). In fact, AHL's audited composite track record shows a net compound rate of return in excess of 26% per annum over more than 7 years trading.

The fund will be advised by Adam Harding & Lueck A.G., a subsidiary of ED & F Man International Ltd., who are regulated by the Securities and Investments Board in the United Kingdom.

Redemptions are made monthly at Net Asset Value but may be subject to redemption penalties. Unless the investment is held until maturity, you may not get back the whole of your original investment and movement in rates of exchange between currencies may affect its value. Past performance is no guarantee of future results, the value of units can go down as well as up.

For a prospectus, please return the coupon to: Robin Creswell, International Sales Manager, ED & F Man International Ltd., Sugar Quay, Lower Thames Street, London EC3R 6DU, or contact:

Telephone: 071-626 8788
Fax: 071-621 0149

I would like to receive fund details: I.H.T 2.2
NAME ADDRESS
Please write in BLOCK CAPITALS
ZIP
TELEPHONE
FAX

SPORTS

Out of 'Flow,' Buckeyes Fall

The Associated Press

And then there was one.

Michigan State handed No. 3 Ohio State its first loss of the season on Thursday night to leave top-ranked Nevada-Las Vegas, which beat San Jose State, as the only undefeated Division I team with a month to go in the season.

The Buckeyes had won their first 17 games, including seven in the Big Ten. Michigan State, the conference defending champion, came up with a strong defensive effort to beat visiting Ohio State, 75-61, and hold it 31 points below the season scoring average.

"We didn't expect to win all our games, so the only way *this loss could affect us is if we let it get to us* going into Sunday's game," said Ohio State's coach, Randy Ayers, referring to a home game with Purdue.

"You have to give Michigan State all the credit for our shooting," he said of the 23-for-62 effort, including 1-for-12 from 3-point range. "They took us out of our tempo, and they took away our penetration. We were never able to get into the offensive flow."

COLLEGE BASKETBALL

Usually any offensive flow for Michigan State (13-6 overall, 6-3 Big Ten) revolves around Steve Smith, a senior guard. Thursday, Smith came through again with 26 points, including his 2,000th as a collegian.

But Smith did receive some help in the form of Mark Montgomery's collegiate-high 17 points. Montgomery scored just three points in the first half, but hit a 3-pointer with his first shot of the second period. Then he kept scoring, making 5 of 6 from the floor, including both 3-pointers.

Montgomery's 14 points in the second half forced the Buckeyes to turn their focus from Smith, who responded by scoring 15 of his 26 points after halftime as the Spartans expanded a 39-36 intermission lead.

Ohio State's leading scorer, Jim Jackson, scored just 12 points on 5 of 17 shooting, 5 points under his average, thanks to the combined defensive efforts of Smith, Matt Steigenga and Dwayne Stephens.

No. 1 UNLV 88, San Jose State 64: The Runnin' Rebels (17-0, 10-0) won their 28th in a row and continued their mastery over the Spartans (5-14, 3-7), who have never beaten them in 21 meetings.

Larry Johnson scored 21 points as UNLV again used its pressure defense to break the game open in San Jose, California. It was UNLV's 13th victory this season by more than 20 points.

No. 6 Arizona 84, Washington State 71 The Wildcats (16-3, 5-2 Pacific 10) won their 57th consecutive home game to keep the nation's longest such streak alive.

The Cougars (12-6, 4-4) got within 72-68 with 2:17 left. Arizona then made all 8 of its free throws, *including 6 by Matt Othick in the final 1:10.*

Chris Mills had 21 points and 11 rebounds for Arizona.

No. 9 North Carolina 90, Clemson 77: The Tar Heels (15-3, 4-2 Atlantic Coast Conference) won for the first time in three years at Clemson's Littlejohn Coliseum, and Clemson remained winless in its worst ACC start (0-7) since 1954-55.

No. 13 Utah 78, Texas-El Paso 68: The Utes (20-1, 9-0 Western Athletic Conference) broke a 78-year-old school record with their 17th consecutive victory and their first in El Paso since 1981.

Ray Stubblebine/Reuters

Maurice Cheeks and the rest of the Knicks could only chase Bernard King, who scored 49 points.

King Gets Job Done: 49 vs. Knicks

By David Aldridge
Washington Post Service

NEW YORK — Thomas and Thelma King, the parents, sat in the front row of Madison Square Garden. Thomas raised his arms in triumph, just as his son Bernard had done a few seconds earlier, after he had dropped the last of his 49 points on the heads of the New York Knicks.

"Words can't describe," Thomas King began, and they could not. Not when his son had made 20 of 35 shots, grabbed 11 rebounds and played the entire second half, leading the Washington Bullets to a 107-98 victory Thursday night before 14,227 spectators.

But the victory was bittersweet for Washington (20-24), which ended a six-game losing streak in the Garden. Darrell Walker went down in the first half with a sprain of the medial collateral ligament in his right knee, and the preliminary diagnosis by the Knicks' physician, Norman Scott, the same man who rebuilt King's knee in 1985, was that Walker would miss at least four weeks.

The Bullets won because King would not let them lose in the fourth quarter, hitting 10 of 13 shots for 21 points, including the first 11 of the period.

"You just have your mind set that you're going to get the job done, that you won't be denied," King said. "I wanted to win this game bad."

The Knicks' Patrick Ewing scored to open the fourth quarter, tying the game, 75-75. King responded by scoring over Kiki Vandeweghe, the first of four Knicks who tried to stop him in the next 12 minutes.

Kenny Walker tied it, but King spun on the left side for two more. He rebounded a miss by Mark Jackson and went end-to-end for a transition basket and foul with 9:23 left, giving the Bullets an 82-77 lead.

New York got within three on free throws by Vandeweghe at 5:15. But King scored on an 18-footer.

New York was desperate. The Knicks put Gerald Wilkins on King. King faded away on the right side for a 96-89 lead. King took the ball on the left baseline. The Knicks tried to double-team him. The ball was already out of King's hands for two more, and New York was down nine and calling time again.

Walker was watching in the locker room.

"I was like, 'Too late,' " Walker said. "You've got to get there quicker if you're going to stop him. It was a hell of a performance."

King got points 48 and 49 from the foul line with 28 seconds left as the crowd rose in a standing ovation.

Sabatini Upsets Graf in Tokyo

The Associated Press

TOKYO — Gabriela Sabatini and Steffi Graf struggled through 2½ hours and a third-set tiebreaker before the Argentine defeated the top-seeded German, 4-6, 6-4, 7-6 (8-6), Friday in the quarterfinals of the Toray Pan Pacific Open.

Martina Navratilova, seeded third and playing her first tournament since knee surgery in November, made short work of American compatriot Robin White, scoring a 6-2, 6-3 triumph on the artificial surface at the Tokyo Metropolitan Gym.

In other quarterfinal matches on Friday, No. 4 Mary Joe Fernandez of the United States beat Japan's wild-card entry Nana Miyagi, 6-0, 6-2, and No. 7 Laura Gildemeister beat American Kathy Rinaldi, 5-7, 6-4, 6-3.

Sabatini will meet Fernandez and Navratilova will play Gildemeister in the semifinals on Saturday.

Sabatini's victory was her first against the No. 1 player in the world since winning the U.S. Open last year. The German leads the series, 20-6.

The two were tied after 12 points in the tiebreaker, but Sabatini fired a pair of passing shots for the win.

Sabatini said it was one of the best matches the two had ever played.

"I kept putting pressure on her and played aggressively even when I was down," she said.

■ Becker Starts Davis Cup Slowly

Boris Becker, who took over the men's No. 1 ranking after winning the Australian Open on Sunday, overcame a hesitant start to beat Paolo Cane, 3-6 6-1 6-4 6-4, and give Germany a 1-0 lead over Italy in their best-of-five first round Davis Cup world group match, Reuters reported from Dortmund, Germany.

Cane, ranked 130th in the world, baffled Becker early, but the German found his touch on the fast indoor surface in the second set.

The winner of the series will advance to meet the victor of the New Zealand-Argentine match in Christchurch, where Argentina was leading by 2-0 after winning the two first singles.

● Richard Fromberg and Wally Masur scored victories on Friday as Australia cruised to a 2-0 lead over Belgium in its Davis Cup first-round series, The Associated Press reported from Perth, Australia.

Fromberg struggled to a 6-4, 6-3, 1-6, 6-4 victory over Belgian teenager Filip Dewulf in the opener. Masur took just 100 minutes to crush Eduardo Masso, 6-3, 6-1, 6-1.

The winner will play either France or Israel. The French-Israeli first-round match was postponed because of security concerns relating to the war in the Gulf.

First Round Results

WORLD GROUP

Australia vs. Belgium

Richard Fromberg, Australia, def. Filip Dewulf, Belgium, 6-4, 6-3, 1-6, 6-4; Wally Masur, Australia, def. Eduardo Masso, Belgium, 6-2, 6-3, 6-1.

New Zealand vs. Argentina

Martin Jaite, Argentina, def. Brett Stevens, New Zealand, 7-5, 6-2, 6-2; Javier Frana, Argentina, def. Kelly Evernden, New Zealand, 7-6 (7-4), 6-4, 6-3.

Germany vs. Italy

Boris Becker, Germany, def. Paolo Cane, Italy, 3-6, 6-1, 6-4, 6-4.

Yugoslavia vs. Sweden

Goran Ivanisevic, Yugoslavia, def. Jonas Svensson, Sweden, 6-2, 4-6, 6-3, 6-4.

AFRICAN ZONE

Kenya vs. Congo

Eno Polo, Kenya, def. Crepin Ossombi, Congo, 6-1, 6-2, 6-0; Kush Bhardwaj, Kenya, def. Christian Bemba, Congo, 6-0, 6-2, 6-4.

SIDELINES

Valenzuela: No Time to Quibble

LOS ANGELES (AP) — With his agent citing the Gulf war as a catalyst, Fernando Valenzuela agreed to a one-year contract with the Los Angeles Dodgers, thus avoiding an arbitration hearing.

The 30-year-old left-hander and the Dodgers agreed Thursday on a one-year contract worth $2.55 million. Valenzuela, who earned $2.2 million last season, had requested a salary of $2.7 million while the Dodgers offered $2.4 million.

"The Dodgers offered the midpoint and Fernando felt at this time with everything going on in the world, fighting for money is not appropriate right now," said Tony DeMarco, Valenzuela's agent.

Europeans Win Cup Broadcast Rights

ZURICH — The European Broadcasting Union will be the host broadcaster for the 1994 soccer World Cup in the United States, the sport's governing body, FIFA, said Friday.

"We have taken up the EBU's offer and have an agreement in principle," said Sepp Blatter, the general secretary of FIFA. "The contractual details are being worked out."

He said U.S. television networks favored the deal.

"The U.S. television networks only wanted access to the signal but did not want to be the host broadcaster who is responsible for providing it," he said.

Barcelona Olympic Tickets Go on Sale

MADRID (Reuters) — Tickets for the 1992 Summer Olympics may be purchased beginning Monday, organizers said.

Oriol Serra of the Barcelona Olympic Organizing Committee told a news conference on Thursday that 4.7 million tickets giving access to a total of 504 sports events will be sold in Spain. Another 1.2 million tickets will be sold abroad through travel agencies designated by each country's national Olympic committee.

Prices range from $10 to $95, with the men's basketball final the most expensive event.

France Set for Irish in Five Nations

PARIS (AFP) — Having defeated Scotland, France is banking on new-found energy, resolve and ambition when it takes on Ireland on Saturday in Dublin in the Five Nations Rugby Championships.

Daniel Dubroca and Jean Trillo, the French coaching tandem, have changed the team's style to emphasize running. Ireland will be without Neil Francis, who has tonsillitis.

In the other Five Nations match on Saturday, Scotland will meet Wales in Edinburgh.

For the Record

Johan Cruyff on Thursday signed to coach for two more years with Barcelona, the Spanish soccer league leader. *(Reuters)*

Linebacker Eric Kumerow, a former first-round draft pick whose career never blossomed in three years with the Miami Dolphins, was traded to the Chicago Bears for cornerback Vestee Jackson on Thursday. *(UPI)*

Bob Wollek of France on Thursday won the pole position for the International Motor Sports Association 24 Hours of Daytona, guiding his Porsche 962C around the rain-soaked speedway in Daytona Beach, Florida at an average speed of 115.595 miles per hour (186 kilometers per hour). *(UPI)*

Charles Barkley of the Philadelphia 76ers, one day after saying he expected to sit out at least another week because of pain in his left foot, said Thursday night that his condition has improved and he might return to the lineup over the weekend. *(AP)*

Quotable

● Heavyweight boxer George Foreman, who said he weighs between 275 and 280 pounds (125 to 127 kilograms), on what he will do if he defeats champion Evander Holyfield: "First of all, I'm going to throw the biggest party in the history of Atlantic City. There won't be enough room in all the hotels for the buffet tables. Then I'm going to buy a fast-food franchise and retire."

BOOKS

THE FOURTH K

By Mario Puzo. 479 pages. $22. Random House, 201 East 50th Street, New York, N. Y. 10022.

Reviewed by E. J. Dionne Jr.

FEW myths are as powerful in contemporary American life as the one associated with the Kennedy family. It is a truism, but an important one, that every American who was more than four years old in 1963 remembers exactly what he was doing when he learned that John F. Kennedy had been shot. No other political name inspires the same emotion as that of Kennedy — and that's true for Kennedy foes no less than Kennedy friends.

On the right, dislike of the name Kennedy is so strong that direct mail specialists can still raise lots of money by throwing Ted Kennedy's name into a letter on almost any subject. Among a certain group of liberals who harbor fond memories of Adlai Stevenson's campaigns in the 1950s or Eugene McCarthy's 1968 crusade, the Kennedy name still inspires mistrust.

But for another type of liberal, and for a lot of Americans who disdain ideological classification, the assassinations of John and Robert Kennedy represent the beginning of the tragic era in American history. In his powerful memoir of Robert Kennedy's complicated psychological and political journey, Jack Newfield invoked Camus's myth of Sisyphus to capture the feeling of emptiness created for so many by the extinction of a second Kennedy's life. After Robert Kennedy's death, Newfield wrote, the stone was again at the bottom of the hill, and we were alone.

The most gifted thriller writers create their own mythic figures, but there is a perfectly respectable tradition of turning already powerful myths to fictional purposes. Mario Puzo succeeded brilliantly at the first with "The Godfather," creating an image so powerful that it is now applied almost indiscriminately in business, politics, intellectual life and international affairs.

In "The Fourth K," Puzo tries his hand at the second by building a novel around the Kennedy myth. The results, alas, are not up to "The Godfather's" standards.

Not that he doesn't try hard. "The Fourth K" has almost everything you look for in a thriller. There are brilliant Palestinian terrorists, sultry Italian terrorists and deranged American terrorists. Puzo gives us a plot against the pope, an airline hijacking, secret conspiracies of the rich and powerful, a mad scientist, government officials willing to do almost anything in the name of security, and lots of sex. There's even a homemade atomic bomb planted in the heart of New York City.

And, of course, there are numerous plots against President Francis Xavier Kennedy — a delightful name — the cousin of the slain brothers whose politics involve an aggressive mistrust of the rich, anger at street crime and a passion for the average citizen.

So, yes, this is your classic page-turner and not a bad book to read to take your mind off war and recession. But it's a page-turner not only for the right reasons but also for the wrong ones. Part of why you want to get to the end is to see how Puzo's Rube Goldberg machine of a plot is resolved. Still, you have to admire Puzo's sheer chutzpah in being willing to use every device known to screenwriters and mystery readers to keep things moving.

If you hate politicians and power-brokers, you'll love Puzo's portrayal of them here. But Puzo's portrait of how politics works is an almost cartoon-like parody of the real thing. He ratchets up the paranoia to Robert Ludlum levels and offers us a crowd so corrupt as to make participants in the Teapot Dome scandal look like members of Common Cause or the League of Women Voters. A few more touches of gray here and there would have helped a lot.

So if you're looking for a thoughtful treatment of the Kennedy saga, you won't find it here. But if you like bombs and assassination plots and a lot of running around, "The Fourth K" is an offer you might want to accept.

E. J. Dionne Jr. is on the staff of the Washington Post.

BRIDGE

By Alan Truscott

MORE than half a century ago a battle began between the entrenched strong two-bidders, following the dogma of Ely Culbertson, and the upstart weak two-bidders, headed by Howard Schenken.

The weak two-bidders scored a total victory in tournament play, but the strong two-bid held its own in social games. Even today confusions occur when the players fail to agree in advance, or as in the diagramed deal from a rubber bridge game in Florida, forget the agreement.

North-South had settled on the strong two-bid, but North absent-mindedly opened the action with two spades. South was Joseph Ivany, of Boca Raton, Florida, and was delighted. He made a forcing jump to four clubs and then continued to seven clubs. He was expecting the grand slam to be a lay-down, but had misgivings and refrained from redoubling when East correctly diagnosed a muddle and doubled.

Unfortunately for the defense, West assumed that the double was a Lightner effort, suggesting a lead of dummy's suit. Declarer put up dummy's spade jack, ruffed East's ace and drew trumps. He crossed to the heart queen and threw two diamond losers on spade winners. Then he ruffed a spade and was able to reenter the dummy by ruffing a heart winner. The remaining two diamond losers disappeared on the established spades and the grand slam was made.

NORTH
♠ K Q J 9 8 7
♡ Q 4
◇ 7 2
♣ 7 5 3

WEST
♠ 8 4 3
♡ 10 9 8 7 5 3
◇ Q 9 3
♣ 4 2

EAST
♠ A 10 5 2
♡ J 9 3
◇ A K 10 8
♣ 10 6

SOUTH
♠ —
♡ A K 6
◇ J 8 5 4
♣ A K Q J 9 8

Both sides were vulnerable. The bidding:

North	East	South	West
2 ♠	Pass	4 ♣	Pass
5 ♣	Pass	7 ♣	Pass
Pass	Dbl.	Pass	Pass
Pass			

West led the spade six.

PEANUTS

BEETLE BAILEY

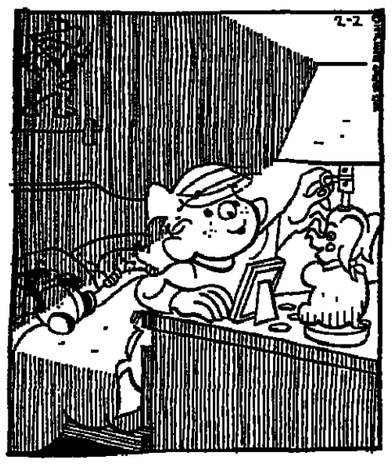
ANDY CAPP

WIZARD of ID

REX MORGAN

DOONESBURY

DENNIS THE MENACE



"I LIKE THE DARK BEST WHEN THE LIGHTS ARE ON."

JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

YAHND

NEFEC

FLUWAL

DELOON

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: "○○○○" ○○○○○○○

(Answers Monday)

Yesterday's Jumbles: RANAL CABLE INDUCT GARBLE
Answer: Some people make "points" by being this— BLUNT

BLONDIE

GARFIELD

هكذا من الاصل

هكذا من الأصل

SPORTS

Michel Lipchitz/The Associated Press

Olympic champion Vreni Schneider of Switzerland, roaring down the mountain on the second run of the slalom. She was third on the run, but won the gold medal.

Schneider Wins Slalom, Aims for a Second Gold

Compiled by Our Staff From Dispatches

SAALBACH-HINTERGLEMM, Austria — Reigning Olympic champion Vreni Schneider of Switzerland won the world title in the women's slalom on Friday, edging Natasa Bokal by a sixth of a second in the World Alpine Skiing Championships.

Schneider, who won a bronze medal on Thursday in the combined event and is a two-time defending champion in the giant slalom that will be run Saturday, had a winning time of 1 minute, 25.90 seconds for the two-heat slalom.

"My goal was to win one medal here and that was fulfilled yesterday," Schneider said. "So after this gold medal, who knows? Maybe I can become a double world champion."

Bokal finished in 1:26.06. The bronze medal went to Austria's Ingrid Salvenmoser in 1:26.56.

Schneider had the fastest time of 41.97 seconds on the first run, which had 52 gates, and was third fastest on the 53-gate second run with 43.93.

Schneider made fun of herself for a slight miscue in the second run.

"I don't know exactly what happened, but I accidentally hit myself in the face with a pole," she said. "I began to go well from that point on."

Bokal, 23, who won her first World Cup slalom earlier this month in her native Yugoslavia, had the best run of 43.06 seconds on the second run. That was nearly nine-tenths of a second faster than Schneider.

"That second run was super," Bokal said. "It was like a run you do in training. I made mistakes in the first run, but even then I still believed that I could win a medal."

The victory was the culmination of a mini-comeback for Schneider, who has been eclipsed as the queen of the slopes by Austrian Petra Kronberger in the past two World Cup seasons.

But an injury to Kronberger, who took the overall World Cup title from Schneider last year and is leading by a wide margin this season, has allowed Schneider to regain supremacy in women's skiing.

Kronberger won the downhill world title last week but suffered a knee injury as she fell near the bottom of the super-giant slalom on Tuesday. She was unable to complete the combined event or race in the slalom, and announced on Thursday that she also will miss Saturday's giant slalom.

Schneider, 26, who is competing in her fourth world championships, is the only remaining star from the Swiss women's team that dominated alpine skiing in the late 1980s.

She now has won three world titles and three other world championships medals, as well as a pair of gold medals at the 1988 Calgary Olympics.

Schneider got off to a slow start this season, winning only one World Cup race so far and falling far behind Kronberger in the overall World Cup standings.

A series of minor injuries combined with personal problems and a reshuffling of the Swiss women's team coaches caused the problems, Swiss team officials said, but that is all now forgotten.

"I have had problems this season in the slalom," Schneider said. "I was good in training but I fell in some races, so I was losing confidence. So yesterday's combined slalom really boosted my confidence."

On Thursday, she posted the fastest time in both combined slalom runs to win the bronze medal in that event after finishing a distant 24th in the downhill portion.

But she said she almost missed the entire world championships because of an accident the day before the competition began.

"Ah, it was a stupid thing," she said. "I was at home and I opened the garage door onto my leg, injuring my shin. It wasn't the best thing for ski training, but it's all right now." *(AP, Reuters)*

World Championships

The top 10 in the slalom:
1. Vreni Schneider, Switzerland, 1 minute, 25.90 seconds; 2. Natasa Bokal, Yugoslavia, 1:26.06; 3. Ingrid Salvenmoser, Austria, 1:26.56; 4. Florence Masnada, France, 1:27.20; 5. Koltuso Puntik, Yugoslavia, 1:27.53; 6. Pernilla Wiberg, Sweden, 1:27.55; 7. Patricia Chauvet, France, 1:27.68; 8. (tie) Heidi Voelker, U.S., 1:27.72, and Angela Orsi, Germany, 1:27.73; 10. Kristina Andersson, Sweden, 1:27.98.

Another Transition for the Crosby Pro-Am: Farewell to the 'Sistine Chapel of Golf'

By Jaime Diaz
New York Times Service

PEBBLE BEACH, California — The AT&T Pebble Beach National Pro-Am has begun again with its unique blend of spectacular beauty, celebrity hackers and often brutal weather conditions. But for the first time in 45 years, it is not being played on what is widely considered the most idyllic course in the world.

Cypress Point, the "Sistine Chapel of Golf" whose famed 16th hole spans a churning inlet of the Pacific Ocean in California, will no longer join Pebble Beach and Spyglass Hill as one of three sites for this venerable tournament.

The loss of Cypress, which has been replaced by Poppy Hills Golf Club, is a blow to the tournament, which began in San Diego in 1937 as the Bing Crosby Pro-Am and moved to the Monterey Peninsula 10 years later. After Crosby's death, it became the AT&T in 1986.

"Cypress Point has been a great friend to this tournament, and it's as if it's passed away," said Tom Watson of the course he calls one of his five favorites. "In a way, it's sort of like Bing passing on."

Last year, Cypress Point was the first of five private clubs that chose not to conform to PGA Tour's new anti-discrimination policy for tournament sites. The policy was enacted after the issue of racially exclusionary private clubs erupted prior to the 1990 PGA Championship at Shoal Creek in Alabama, a club that at the time had an all-white membership but has since changed.

Cypress has never had a black among its 240 members, and no black is on its seven-year waiting list for membership. When the club in August was presented with the new PGA Tour guidelines that required "satisfactory evidence that the club would take appropriate and immediate action to encourage minority membership," it voted to stop its association with the AT&T.

"Of course it's a negative, of course it will be missed," said Bill Borland, chairman of the Monterey Golf Foundation, which runs the AT&T, and a member at Cypress Point since 1967.

"But the tour had its rule and Cypress Point had its membership policies, and unfortunately, the two didn't fit."

Poppy Hills Golf Course is a relatively new inland public course whose combination of narrow doglegs and large, severely undulating greens will produce high scores.

Last week at Phoenix, the PGA Tour was nervous enough about player reaction to Poppy Hills that it distributed letters to the players asking them to temper any public criticism of the new course.

"We got a letter from Mr. Beman," said one player in reference to Deane Beman, the tour commissioner. "I think it was very smart on his part."

Indeed, the early reviews of the course found several players biting their tongues. "It's not that bad; it's really not," said Tom Kite. "Honest to goodness. Seriously. It's not nearly as bad as the comments I've heard. It's not Cypress Point, but you could say that about 99 percent of courses we play on tour."

Watson was less cryptic.

"It's going to be a very difficult course to play," he said. "We'll spend forever on the greens looking over our third, fourth and fifth putts."

While most players questioned this week said they would miss playing Cypress Point, the change in courses has not caused a discernible dropoff in the field.

Only Greg Norman is absent among the stars who usually play, and Norman explained three weeks ago that he would miss the tournament because his amateur partner, Kerry Packer, the Australian media magnate, is recovering from a recent heart attack.

To Jack Nicklaus, who has played in the tournament since 1962, the centerpiece of the tournament is still Pebble Beach, the only course on which the final field plays two rounds.

"It's disappointing for me because I love to play to play Cypress," said Nicklaus. "But Pebble Beach is the real reason I always come out to play. Pebble Beach is the course I won the United States Amateur on, won the United States Open on, and the principal reason I won this tournament three times."

Cypress's signature is the 233-yard (213-meter) hole that was ranked the most difficult on the tour relative to par in 1990. Crosby himself made one of the only six aces ever recorded on the hole and Porky Oliver made a 16 in the 1953 tournament.

It's also where Jack Lemmon, who is back for the 28th time, used the human chain of Peter Jacobsen, Greg Norman and Clint Eastwood to hold him up while he hit a shot from ieeplant off the edge of a 30 foot cliff.

Just as bizarre was Brett Upper's plight in 1985. Upper hit his tee shot over the cliff to the left of the green and found his ball resting on the beach several yards from the bubbling surf.

Upper was getting ready to loft his ball toward the green when the caddy of one of his amateur partners suddenly signaled to him that another player was away. As Upper waited for the other player to hit, a large wave came in and washed his ball out to sea.

"Only at Cypress Point," said Upper, now a club professional in St. Petersburg, Florida. "There is so much history there, and it's the prettiest meeting of land and water in the world. Anytime you get to play Cypress Point, it's a rare privilege."

As of this year, even more rare.

■ Rookies Take Charge

The Ben Hogan Tour gained a major dose of credibility in the first round of the AT&T Pebble Beach National Pro-Am on Thursday as three graduates from the PGA Tour's minor-league proving ground took their places among the leaders, The New York Times reported from the site of the tournament.

The best round of the day was a 7-under-par 65 shot by the first-year pro Mike Standly, who played in 28 Hogan Tour events last year. The fledgling tour's best player last year, Jeff Maggert, shot 67, and its longest hitter, John Daly, fired a 68.

"The Hogan Tour was a good deal," said Standly, a 26-year-old PGA Tour rookie from Houston. "It really helped a lot of guys figure out what to do and how to play."

Trailing Standly by a shot were Brian Claar, who played Spyglass Hill, and John Cook, who played Poppy Hills.

As Marinovich Wavers, Family Feels the Strain

Compiled by Our Staff From Dispatches

For David Klingler, there are more reasons to stay in college than play in the National Football League. But for Todd Marinovich, the decision to leave school might be easier.

Underclassmen in U.S. colleges had until Friday to declare themselves eligible for the pro football draft, to be held in April. NFL spokesman Greg Aiello said the league won't reveal this year's final list until Monday.

Klingler, who set or tied 33 records as Houston's quarterback last year, said he came up with 23 reasons to return for his senior season and only three for leaving. "I'll be back," Klingler said Thursday.

The U.S. sports daily The National reported in Friday's editions that Marinovich, Southern Cal's troubled quarterback, and Pittsburgh running back Curvin Richards formally petitioned the NFL on Thursday for entry in the draft. Neither player made an official announcement Thursday.

Marinovich has two years of college eligibility, but he was suspended indefinitely from the Southern Cal team on Jan. 11 after failing to register for classes and missing a mandatory team meeting. Nine days later, he was arrested and charged with cocaine possession.

He reportedly already has signed with International Management Group. Retaining an agent would cost Marinovich his remaining eligibility.

Marinovich's family has expressed confusion about his situation and what he may do.

"My wishes were school, and honor your scholarship," said Henry Fertig, Marinovich's grandfather, with whom Todd and his mother, Trudi, live in Newport Beach, California. "And if you want to forget about football, forget about it. But his father has a lot of power over him."

Marinovich first came to national attention as a high school player who had been almost literally programmed by his father, Marvin, to become a star quarterback. According to many published reports, Todd spent most of his youth throwing a football and following a diet designed by his father to develop his athletic skills.

Fertig, a former chief of police of Huntington Beach, California, said that in his opinion, there was no question that Marinovich's arrest stemmed from a rebellion against the pressure placed on him.

"Trying to get away from it, trying to get away from it," Fertig said. "In the past, he has told his mother, 'I don't want to be Todd Marinovich.'

"That morning of the bust when I came upstairs to tell my wife and my daughter, they grabbed each other, crying and weeping and what have you. I said, 'Trudi, you call Marv.'

"Well, he didn't go. I went. I'm not his father. I'm his grandfather."

Fertig said he called his attorney, who worked out an agreement with the police department in Orange County, California, which held jurisdiction, to secure Marinovich's release without bail.

"When he came out he was as white as a sheet," Fertig recalled. "He didn't cry until he went down the stairs of the Newport Beach police station. He got in the car and looked at his mother, and said, 'I have just blown my life away.' And he wept all the way home."

According to Fertig, Marinovich's father asked Trudi Marinovich to take the quarterback to the doctor to get a blood and urine test "for the NFL and the media."

Fertig said Marinovich's father is only concerned with money.

"Todd just blew $100,000 on the bust," Fertig said. "I'm sure that somebody will take him, but he won't go in the first round. I should say not." *(AP, NYT)*

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE	W	L	Pct	GB
Atlantic Division				
Boston	32	11	.744	—
Philadelphia	23	19	.548	8½
Washington	20	24	.455	12½
New York	19	25	.432	13½
New Jersey	14	30	.318	18½
Miami	11	33	.250	21½
Central Division				
Detroit	32	13	.711	—
Chicago	29	13	.690	1½
Milwaukee	27	18	.600	5
Atlanta	24	20	.545	7½
Indiana	18	24	.429	12½
Cleveland	14	29	.326	17
Charlotte	13	29	.310	17½
WESTERN CONFERENCE				
Midwest Division				
San Antonio	31	11	.738	—
Utah	29	15	.659	3
Houston	23	21	.523	9
Dallas	15	26	.366	15½
Minnesota	14	27	.341	16½
Denver	13	30	.302	18½
Orlando	11	33	.250	21
Pacific Division				
Portland	37	5	.822	—
L.A. Lakers	32	11	.744	4
Phoenix	28	14	.667	7½
Golden State	25	17	.595	10½
Seattle	20	22	.476	15½
L.A. Clippers	15	29	.341	21½
Sacramento	12	29	.293	23

THURSDAY'S RESULTS

Washington 25 22 33 23—107
New York 28 28 17 25— 98

King 20-35 9-10 49, Grant 9-14 3-4 21; Ewing 13-20 3-9 29, Washington 5-13 4-4 14. Rebounds: Washington 54 (King 11), New York 59 (Oakley 11). Assists: Washington 24 (Workman 9), New York 24 (Cheeks 7).

Seattle 23 23 27 24—97
Houston 25 17 22 28—94

Threatt 7-13 3-4 18, Kemp 7-9 3-10 17; S. Johnson 8-17 7-11 23, Thorpe 8-11 4-6 20. Rebounds: Seattle 58 (Kemp 17), Houston 52 (L.Smith 12). Assists: Seattle 18 (McKey, McMillan 6), Houston 20 (K.Smith 10).

Chicago 21 28 23 29—102
San Antonio 25 26 26 35—106

Jordan 9-22 17-18 36, Grant 9-16 3-3 20; Robinson 9-14 13-15 31, Strickland 8-17 6-9 22. Rebounds: Chicago 44 (Grant 16), San Antonio 48 (Robinson 17). Assists: Chicago 18 (Paxson 4), San Antonio 19 (Strickland 7).

New Jersey 14 28 22 43—119
Denver 25 23 29 26—123

Theus 10-21 8-9 28, Coleman 8-17 7-9 23; Adams 13-29 16-19 45, Williams 11-21 5-5 28. Rebounds: New Jersey 64 (Coleman 16), Denver 69 (Rasmussen, Lang, Adams 11). Assists: New Jersey 22 (Theus 7), Denver 22 (Adams 12).

Portland 29 32 34 36— 91
Utah 29 26 23 27—105

Duckworth 7-15 3-5 17, Drexler 4-13 5-7 14; K. Malone 7-17 10-12 24, Stockton 7-12 5-6 20. Rebounds: Portland 57 (Drexler 10), Utah 60 (Eaton 13). Assists: Portland 17 (Young 5), Utah 26 (Stockton 15).

L.A. Clippers 33 29 30 27—119
Golden State 38 33 25 39—135

Norman 12-19 0-0 24, Grant 9-13 4-4 22; Richmond 16-24 5-8 40, Mullin 11-23 10-11 32. Rebounds: Los Angeles 59 (Benjamin 10), Golden State 49 (Mullin, Tolbert, Richmond, Hill 6). Assists: Los Angeles 30 (Grant 10), Golden State 27 (Hardaway 12).

Atlanta 24 16 30 33—103
L.A. Lakers 32 31 24 29—116

Wilkins 7-18 3-4 19, Rivers 6-15 4-4 16; Green 9-11 2-2 20, Thompson 7-11 5-6 19. Rebounds: Atlanta 46 (Malone 9), Los Angeles 67 (Green 14). Assists: Atlanta 16 (Rivers 7), Los Angeles 31 (Johnson 12).

Major College Scores

EAST

Fordham 75, Manhattan 68
George Washington 86, St. Bonaventure 57
Hofstra 78, Cent. Connecticut St. 74
Holy Cross 89, Colgate 76
Iona 74, Niagara 62
La Salle 84, Fairfield 66
Monmouth, N.J. 69, Wagner 56
Penn St. 66, West Virginia 63
Rider 73, Lafayette 66
Siena 90, Canisius 57

SOUTH

Centenary 58, Mercer 51
Citadel 102, Youngstown St. 101
Coastal Carolina 84, N.C.-Asheville 74
Davidson 62, Augusta 54
Fla. International 74, Florida A&M 66
Howard U. 86, Delaware St. 80
Long Island U. 68, Jacksonville 67
Miami, Fla. 79, Northeastern 63
N.C. Charlotte 80, South Florida 77
NE Louisiana 114, Nicholls St. 94
NW Louisiana 64, SE Louisiana 65
North Carolina 98, Clemson 77
South Carolina 85, Tulane 69
Stetson 80, Samford 70
Wake Forest 71, Winthrop 48
Wis.-Milwaukee 88, Cent. Florida 87

MIDWEST

Boston College 79, Notre Dame 77
Bradley 89, S. Illinois 87
Butler 88, Loyola, Ill. 67
Creighton 71, Illinois St. 57
Iowa 78, Purdue 69
Marquette 75, Detroit 54
Michigan 66, Minnesota 62
Michigan St. 75, Ohio St. 61
N. Illinois 59, E. Illinois 47
St. Louis 89, Evansville 73
Wichita St. 65, Tulsa 61

SOUTHWEST

Georgia Southern 82, Ark.-Little Rock 75
Texas-San Antonio 85, Georgia St. 72
Utah 78, Texas-El Paso 68

FAR WEST

Arizona 84, Washington St. 71
Arizona St. 53, Washington 41
Boise St. 72, Montana 53
Brigham Young 69, Colorado St. 52
California 82, Oregon St. 76
E. Washington 95, Northridge St. 73
Fresno St. 88, UC Irvine 75
Gonzaga 70, San Diego 64
Hawaii 87, Wyoming 80
New Mexico 92, Air Force 55
Pacific U. 60, UC Santa Barbara 56
Santa Clara 95, Portland 69
Stanford 86, Oregon 75
UNLV 88, San Jose St. 64
Utah St. 74, Fullerton St. 63
Weber St. 84, Montana St. 75

European Basketball

Men's Champion Club's Cup
Quarterfinal Group

Limoges 73, Jugoplastika Split 84
Maccabi Tel Aviv 101, Bayer Leverkusen 102

Men's Cup Winners' Cup
Quarterfinal group, Fifth Series

Hapoel Galil 92, CAI Zaragoza 90

HOCKEY

NHL Standings

WALES CONFERENCE	W	L	T	Pts	GF	GA
Patrick Division						
N.Y. Rangers	27	18	9	63	194	167
Philadelphia	27	22	6	60	186	172
Pittsburgh	28	22	3	59	226	195
New Jersey	22	21	10	54	194	178
Washington	24	27	3	51	171	181
N.Y. Islanders	18	28	6	42	151	186
Adams Division						
Boston	30	16	8	68	196	149
Montreal	29	20	5	63	183	162
Buffalo	21	21	10	52	183	178
Hartford	22	25	5	49	157	179
Quebec	11	33	9	31	151	224

CAMPBELL CONFERENCE	W	L	T	Pts	GF	GA
Norris Division						
Chicago	34	15	4	72	177	134
St. Louis	30	15	7	67	201	160
Detroit	22	26	5	49	176	197
Minnesota	16	30	9	41	163	188
Toronto	13	33	5	31	147	212
Smythe Division						
Los Angeles	28	18	5	61	206	165
Calgary	27	28	5	59	213	176
Edmonton	25	22	3	53	174	161
Winnipeg	18	29	8	44	179	195
Vancouver	19	30	5	43	168	207

THURSDAY'S RESULTS

Montreal 2 0 0—2
Boston 2 1 2—5

Ewen (3), Dutrese (2); Hodge (11), Brickley (2), Bourque (12), Neely (31), Poulin (7). Shots on goal: Montreal (on Moos, DeGuidico) 9-4-10—25, Boston (on Racicot, Chabot) 12-14-14—40.

Quebec 0 1 3—4
Buffalo 1 0 0—1

Wolanin (3), Sakic (28), Quinney (3), Kimble (2); Valve (19). Shots on goal: Quebec (on Wakaluk) 5-10-12—27, Buffalo (on Cloutier) 10-13-13—36.

Washington 1 0 2 1—4
N.Y. Islanders 0 2 1 0—3

Leach (9), Ciccarelli (14), Tabaracci (4), Hunter (11); King 2 (15), Sutter (19). Shots on goal: Washington (on Hackett) 12-9-7-1—29, New York (on Beaupre) 7-4-11-1—23.

Hartford 2 0 1 0—3
St. Louis 1 0 2 1—4

Dineen (14), Verbeek (27), Anderson (3); Tuttle (1), Oates (12), Brind'Amour 2 (10). Shots on goal: Hartford (on Joseph) 10-12-15-0—37, St. Louis (on Reaugh) 8-8-15-1—33.

N.Y. Rangers 2 0 1 0—3
Vancouver 1 0 2 0—3

Gartner (27), Miller (13), King (7); Kron (10), Murphy (4), Adams (15). Shots on goal: New York (on Gamble) 15-11-7-1—34, Vancouver (on Richter) 17-15-28-2—62.

Pittsburgh 1 1 0—2
Philadelphia 2 0 2—4

L. Murphy (8), Lemieux (2); Ricci (15), Malakhy (16), Sutter 2 (13). Shots on goal: Pittsburgh (on Hextall) 6-11-11—28, Philadelphia (on W. Young) 12-8-6—26.

NHL Statistical Leaders

SCORING

	GM	G	A	Pts	Pim
Gretzky, LA	49	32	66	98	12
Cullen, Pgh	51	23	58	81	60
Recchi, Pgh	50	26	51	77	30
Hull, StL	50	52	22	74	12
Larmer, Chi	52	30	42	72	32
Coffey, Pgh	51	28	47	67	93
Yzerman, Det	51	34	32	66	20
Sakic, Que	51	27	39	66	18
MacInnis, Cal	51	19	45	64	60
Roenick, Chi	51	26	34	60	62
Tocchet, Phe	54	24	34	58	114
Leetch, NYR	52	11	47	58	32
Stevens, Pgh	51	26	28	54	91
Nieuwendyk, Cal	51	27	28	55	22
LaFontaine, NYI	45	26	29	55	24
Oates, StL	51	11	44	55	25
Fleury, Cal	51	22	32	54	96
Janney, Bos	51	17	37	54	8
Nicholls, NYR	51	19	34	53	58
Bourque, Bos	49	11	42	53	36
Sandstrom, LA	40	26	26	52	70
Rabitaille, LA	46	25	27	52	44
Hatcher, Wash	51	16	36	52	58
Muller, NJ	51	14	38	52	47
Makarov, Cal	50	19	32	51	34
Fedorov, Det	49	22	28	50	30

GOALTENDING
(Empty-net goals in parentheses)

	MP	GA	SO	Ave.
Hasek	65	1	0	0.92
Wolfe	ww40	2	0	2.80
Belfour	2612	105	2	2.41
Cloutier	403	24	0	3.57
Chicago (2)	3142	134	2	2.56
Racicot	253	8	1	1.90
Roy	2237	97	1	2.60
Bergeron	658	44	0	4.01
Montreal (4)	3154	153	2	2.91
Richter	1640	80	0	2.93
Vanbiesbrouck	1518	77	3	3.04
NY Rangers (2)	3167	159	3	3.01
Riendeau	1761	87	2	2.96
Joseph	1284	66	0	3.08
St. Louis (1)	3048	154	2	3.03
Moos	2168	99	2	2.74
Lamelin	1057	67	1	3.80
Boston (1)	3228	167	3	3.10
Peeters	988	45	1	2.76
Hextall	1307	64	0	2.94
Wregget	928	50	0	3.23
Hasford	39	2	0	4.62
Philadelphia (2)	3220	170	1	3.12
Ranford	2483	122	0	2.95
Takko	469	31	0	3.97
Edmonton (4)	3958	157	6	2.38
Berthiaume	1296	64	1	2.96
Hrudey	1725	92	0	3.20
Los Angeles (5)	3033	161	7	3.18
Malarchuk	1426	78	1	3.17
Puppa	1471	81	1	3.30
Wakaluk	96	6	0	3.75
Buffalo (1)	3052	166	2	3.26
Vernon	2021	107	1	3.18
Wamsley	1072	56	0	3.23
Guenette	60	4	0	4.00
Calgary (2)	3098	169	1	3.27
Reaugh	723	36	1	2.99
Sidorkiewicz	2095	114	0	3.26
Whitmore	198	13	0	3.94
Hartford (4)	3030	167	1	3.31
Beaupre	1484	67	2	2.86
Hrivnak	336	17	0	3.04
Liut	1397	89	0	3.82
Washington (2)	3146	175	2	3.34
Terreri	1808	87	0	2.89
Burke	1291	82	0	3.81
New Jersey (5)	3118	174	0	3.36
Hayward	988	49	2	2.98
Casey	2029	104	2	3.08
Takko	119	12	0	6.05
Myhrs	78	8	0	6.15
Minnesota (9)	3229	182	4	3.38
Essensa	1757	88	3	3.01
Tabaracci	618	39	0	3.79
Beaupread	826	55	0	3.99
Winnipeg (3)	3228	185	3	3.45
Healy	1869	98	0	3.15
Hackett	963	57	0	3.63
Lorenz	80	5	0	3.75
Moneluk	140	13	0	6.43
NY Islanders (6)	3046	181	0	3.57
Hanlon	548	26	0	2.85
Chevaldae	2474	149	1	3.61
Gosselin	20	2	0	6.00
Cherrier	48	6	0	7.50
Detroit (3)	3098	186	1	3.60
Barrasso	1566	90	1	3.45
Young	434	28	0	3.87
Pietronsele	1082	70	0	3.88
Pittsburgh (1)	3085	189	1	3.68
Gamble	1395	73	1	3.14
McLean	1597	107	0	4.02
McKichan	20	2	0	6.00
Weeks	59	6	0	6.18
Vancouver (6)	3086	194	1	3.77
Ing	2039	135	0	3.97
Baxter	241	16	0	3.98
Reese	749	57	0	4.57
Toronto (4)	3035	212	0	4.19
Tugnutt	2433	165	0	4.07
Tanner	228	16	0	4.21
Gordon	446	43	0	5.78
Quebec (4)	3113	228	0	4.39

CRICKET

FIRST TEST

New Zealand vs. Sri Lanka, Second Day
Friday, in Wellington, New Zealand
New Zealand 1st innings: 174 all out
Sri Lanka 1st innings: 259-3 (at stumps)

FIFTH TEST

Australia vs. England, First Day
Friday, in Perth, Australia
England 1st innings: 244 all out (66.4 overs)
Australia 1st innings: 19-1 (9 overs)

TRANSACTIONS

BASEBALL
American League
MILWAUKEE—Agreed to terms with Mike Felder, outfielder, on one-year contract.
N.Y. YANKEES—Agreed to terms with Chuck Cary, pitcher, on one-year contract.
TEXAS—Named Tom Schieffer president.
National League
L.A. DODGERS—Agreed to terms with Tim Crews and Jim Gott, pitchers; Jeff Hamilton, third baseman, and Stan Javier, outfielder, on one-year contracts.
MONTREAL—Signed Nikco Riesgo, infielder, to one-year contract and Bill Long, pitcher, to minor league contract.
N.Y. METS—Agreed to terms with Todd Hundley, catcher, on one-year contract.
PHILADELPHIA—Agreed to terms with Joe Boever, pitcher, on one-year contract.
PITTSBURGH—Agreed to terms with John Smiley, pitcher, on one-year contract.

BASKETBALL
National Basketball Association
CHARLOTTE—Activated Rex Chapman, guard, from injured list. Signed Scott Haffner, forward, to 10-day contract.

FOOTBALL
National Football League
CINCINNATI—Hired David Shula as wide receivers coach.
INDIANAPOLIS—Named Sylvester Croom running backs coach.
N.Y. JETS—Acquired Ron Mattes, tackle, from Seattle for undisclosed draft choice.
NEW ENGLAND—Patrick Sullivan, general manager, resigned.
PHILADELPHIA—Named Jim Vechiarella linebackers coach.
Canadian Football League
OTTAWA—Agreed to terms with Lloyd Lewis, defensive lineman, on three-year contract.

HOCKEY
National Hockey League
HARTFORD—Promoted Ken Schinkel to director of hockey operations.
ST. LOUIS—Recalled Steve Tuttle and David Bruce, right wings, from Peoria, International Hockey League.

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in New York
1841 Broadway, Ste. 1000, NYC 10023
212-765-7896
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

GENEVA * MELODIE
ESCORT SERVICE. Tel 022/46 11 58

FRANKFURT - WIESBADEN
New "Fast the Best" Escort Service.
Tel: 069 / 597 66 66.

ESCORTS & GUIDES

MERCEDES
V.I.P ESCORT AGENCY
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON
(071) 351 6666

LONDON BRAZILIAN Escorts
Tel: 071 724 5597/91. Open 7 days.

ESCORTS & GUIDES

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/382 05 80

ZURICH
Caroline Escort Service 01/252 6174

TOKYO
First Class Escort / Guide Service. Tel: (03) 3351 - 2278 . Discriminating Service for executives.

ESCORTS & GUIDES

TOKYO *** TOP ESCORT SERVICE
Major credit cards accepted. Tel: (03) 3436-4598.

ACE ESCORTS AGENCY Reg London 081 297 4444 or 0895 74566 Credit cards Welcome.

ATHENS EXECUTIVE ESCORT AND Guide Service. 7 days a week, English spoken. Tel: 7230572 Athens

ORIENT JAPANESE CHINESE THAI Escort Service. Days and evenings. Please phone 071 225 3314 London.

ROME GIRL ESCORT SERVICE
Telephone 06 - 6390053
6 p.m. to 10 p.m.

ESCORTS & GUIDES

BRUSSELS, KINGA. Private and first class, Exotic Travel and Escort Service. Tel: 02/534.41.34.

NO.1 IN FRANKFURT Escort service open 7 days until midnight. Credit cards. 069/556135 or 069/552491

* * * * MUNICH * * * * 91 23 14
ESCORT & GUIDE AGENCY.
THE FRIENDLY SERVICE.

**** MADRID **** CHRISTIE ****
Guide Service. Telephone:
(341) 571 52 62.

NEW YORK-MANHATTAN ESCORT
Top sophisticated Escort Service Bilingual. Major credit cards. 212-247-6527

***** FRANKFURT *****
Princess Escort Service, 7 days.
Tel: 069 / 666 25 64.

* LONDON & PARIS LINK *****
First class ladies exclusive VIP French Escort Service London: (071) 351-1182

INTERNATIONAL Herald Tribune
Published with The New York Times and The Washington Post

NOW PRINTED IN NEW YORK AND TOKYO FOR SAME DAY DELIVERY IN KEY CITIES
TO SUBSCRIBE, CALL US!
In the U.S.: 1-800-882 2884
(IN NEW YORK, CALL 212-752-3890)
In Tokyo: (3) 3201 0205

AT&T USADirect® Service.
Your express connection to AT&T service.

Calling the States when you're overseas has never been easier. All you have to do is dial a number to be connected to an AT&T Operator in the U.S. You can use your *AT&T Calling Card* or call collect.

AT&T USADirect Service is available in over 75 countries. Here are some of them.

†AUSTRIA	022-903-011	†ITALY	172-1011
BAHRAIN	800-001	LIBERIA	797-797
†BELGIUM	11-0010	LUXEMBOURG	0-800-0111
CZECHOSLOVAKIA	00-420-00101	†NETHERLANDS	06*-022-9111
†DENMARK	8001-0010	†NORWAY	050-12-011
†EGYPT*	02-356-0200	†SWEDEN	020-795-611
†FINLAND	9800-100-10	†SWITZERLAND	046-05-0011
†FRANCE	19*-0011	U.K.	0800-89-0011
†GAMBIA	001-199-220-0010	W.GERMANY	0130-0010
†GREECE	00-800-1311	ZIMBABWE	110-899
†HUNGARY	00*-36-0111		

For additional *USADirect* access numbers or information about the service, call us collect at 412-553-7858. When in the U.S., call 1 800 874-4000 Ext. 416 for your free *USADirect* information card.

*Await second dial tone.
†Public phones require coin or card
‡In Cairo dial 356-0300

©1990 AT&T

AT&T The right choice.

DAVE BARRY

Guys Acting Macho

MIAMI — Our topic today, in our continuing series on guys, is: Why Guys Act Macho.

One recent morning I was driving in Miami on Interstate 95, which should have a sign that says:

WARNING: HIGH TESTOSTERONE LEVELS NEXT 15 MILES

In the left lane, one behind the other, were two well-dressed middle-aged men, both driving luxury, telephone-equipped German automobiles. They looked like responsible business executives, probably named Roger, the kind of guys whose most violent physical activity, on an average day, is stapling. They were driving normally, except that the guy in front, Roger One, was thoughtlessly going only about 65 miles an hour, which in Miami is the speed limit normally observed inside car washes. So Roger Two pulled up behind until the two cars were approximately one electron apart, and honked his horn.

Of course Roger One was not about to stand for THAT. You let a guy honk at you, and you are basically admitting that he has a bigger stapler. So Roger One stomped on his brakes, forcing Roger Two to swerve onto the shoulder, where, showing amazing presence of mind in an emergency, he was able to make obscene gestures WITH BOTH HANDS.

□

At this point both Rogers accelerated to approximately 147 miles per hour and began weaving violently from lane to lane through rush-hour traffic, each risking numerous lives in an effort to get in front of the other, screaming and getting spit all over their walnut dashboards.

This is not unusual guy behavior. Other examples of pointlessly destructive or hurtful macho guy behavior include:

- Guys at sporting events getting into shoving matches and occasionally sustaining fatal heart attacks over such issues as who was next in line for pretzels.
- Guys on the street making mouth noises at women.
- Boxing.
- Foreign policy.

Why do guys do these things? One possible explanation is that they believe women are impressed. In fact, however, most women have the opposite reaction to macho behavior. You rarely hear women say things like, "Norm, when that vending machine failed to give you a Three Musketeers bar and you punched it so hard that you broke your hand and we had to go to the hospital instead of to my best friend's daughter's wedding, I became so filled with lust for you that I nearly tore off all my clothes right there in the emergency room." No, women are far more likely to say: "Norm, you have the brains of an Odor Eater."

But the real explanation for macho behavior is not that guys are stupid. The real explanation is that because of complex and subtle hormone-based chemical reactions occurring in their brains, guys frequently ACT stupid. This is true throughout the animal kingdom, where you have examples such as male elks, who, instead of simply flipping a coin, will bang their heads against each other for hours to see who gets to mate with the female elk, who is on the sidelines, filing her nails and wondering how she ever got hooked up with such a moron species.

□

Another example of macho animal behavior is guy dogs, who are so dumb they make elks look like Rhodes scholars. Every male dog firmly believes that if he makes wee-wee in enough places, he will be declared Dominant Male Dog of the Entire Earth. Of course, since there are several billion dogs competing, everybody is extremely busy trying to stay ahead of everybody else. One time I took a mountain hike with two male dogs named Rubio and Moo Shu. Every three minutes Rubio would carefully select a spot and establish his dominance over it; then Moo Shu would come sprinting from as far as a mile away so that, despite having the entire mountain to choose from, he could establish HIS dominance over the same four square inches previously dominated by Rubio, who by now was several hundred yards away, dominating a new spot, which Moo Shu would then frantically sprint toward, and so on all day long, with each dog absolutely convinced that he was the Baddest Hombre on the planet. Ha ha! At least we human males don't do THAT. We don't need to. We have tanks.

Knight-Ridder Newspapers

Japan's No. 1 Bachelor Can't Find a Wife

By Elisabeth Bumiller
Washington Post Service

TOKYO — Wanted: intelligent, attractive, athletic and discreet young Japanese woman from a leading business, diplomatic or academic family; fluent in English and also, ideally, French; with no ex-boyfriends. Must be no taller, in heels, than 5 feet 4 and no older than 25. Should be prepared to give up considerable freedom in Japan in exchange for ladies-in-waiting, overseas travel and opportunities to meet world leaders. Independent-minded career women acceptable, but no daughters of politicians, please.

The Japanese are worrying these days about war, political infighting among would-be prime ministers and the slump in the Tokyo stock market. But from time to time, their attention is diverted by another pressing issue. Crown Prince Naruhito, the 30-year-old future emperor of Japan, cannot find a wife.

As Naruhito's 31st birthday and formal investiture as crown prince approach next month, the Japanese press is in a lather of speculation over who, if anyone, will become his bride and Japan's future empress.

No one has a clue who she might be, but that hasn't stopped Japan's salacious weekly magazines and lowbrow television shows from filling their pages and programs with reports of possible brides. Reporters have set up camp outside the homes of the leading "candidates" and have pestered their friends and families for interviews.

Reuters

Crown Prince Naruhito, right, leading the imperial children to an enthronement ceremony inside Japan's Imperial Palace for their father, Emperor Akihito, in November.

Last week, Shin-ichi Nakazawa, a leading anthropologist, tried to explain why the royal bride hunt has people so transfixed. "The only real significance the imperial family has in the modern world is based on blood bondage — the continuity from father to son," he said. "So the bride problem is very important. *To get married and have a son is a* condition for continuity."

Six years ago, while a student at Oxford, Naruhito laid out his marriage plans. He lived to regret it. "It is better if I marry before I become 30 years old, is it not?" he told reporters at a press conference in London. Last year, on his 30th birthday, he said that he had meant 30 only as a "yardstick" age. "I do not intend to become pessimistic about this problem at all," he said.

Conjecture about possible brides for Naruhito dates back more than a decade, ever since the summer day in 1980 when he was spotted on a tennis court with the daughter of the president of a Japanese securities firm. About 70 women have been mentioned over the years; in recent weeks the press has narrowed its focus to five or six.

Among them is an old standby, Masako Owada, a 1985 Harvard graduate and an official at the Second North America Division of the Japanese Foreign Ministry. She is one of the few candidates who are actually said to have been invited several times by Naruhito to his palace. Owada does not talk to the press, but she does pick up her own telephone. "I have nothing to do with this issue," she said last week, in a polite, superb British accent. She did say, however, that the press speculation was "overheated."

Recent gossip among palace watchers has it that Owada is in fact out of the running, but others maintain that she is still a possibility and that her refusal to talk to the press — an interview would ruin her chances for royal marriage — indicates as much.

But who knows? The speculation has reached absurd levels. On one recent afternoon, Toshiaki Kawahara, a courtly, white-haired journalist who has written 15 books on the imperial family, went into great detail on the sterling attributes of a current candidate who is all the rage in the press. The woman, he said, is a graduate of Tokyo's Sacred Heart University, the current Empress Michiko's alma mater, and is both intelligent and beautiful. She skis, is not too tall (the crown prince is 5 feet 4, or 1 meter 64) and is related to one of the 11 Mitsui *families that built the industrial* cartel of the same name. Her family has money, but not too much, and a great tradition of scholarship.

So what is the problem? Why is Naruhito dragging his heels? "It seems," says Kawahara, "that he has not met her."

The larger question, of course, is why it should prove so difficult for the most eligible bachelor in Japan to find a wife. Imperial family watchers say several elements are at work here, among them:

- The Michiko Factor. Empress Michiko, wife of Emperor Akihito, was the first nonroyal to marry into the imperial family. Tales of her years of unhappiness have scared off candidates afraid of the same torment.
- The "Old Daddy" Factor. By all accounts, the crown prince is a mature and dignified man. (His younger brother, Prince Akishino, who last year married the wildly popular commoner Kiko Kawashima, is said to be haughty and headstrong.) At Oxford, Naruhito wrote a thesis on the Thames River. He likes mountain climbing, tennis and playing the viola. But he is nearly 31. The elite women mentioned as candidates are in their early 20s, and very choosy. Reporters regularly covering Naruhito assert that such women find a 31-year-old, even if he is the crown prince, a boring *ojin*, which is colloquial Japanese for "Old Daddy."
- The Rich Girl Factor. Most young women worthy of mention as candidates come from such prominent, wealthy families that they could easily marry into a life more luxurious and less confining than the one they would lead at the palace. The Japanese imperial family has a relatively modest existence; certainly the crown prince's "palace," an undistinguished Western-style house built of concrete about a three-minute walk from his parents' home on the grounds of a large, parklike area in central Tokyo, is not lavish.

The Catch-22 is that any woman desperate to marry the crown prince — the daughter, say, of a top operator in Japan's governing Liberal Democratic Party, who would be expected to use the imperial family for political gain — *is unacceptable to the palace.* Nonetheless, one gossipy weekly recently floated the name of the daughter of Ryutaro Hashimoto, Japan's powerful finance minister, as a candidate, complete with a denial from her mother. "Such things do not exist at all," she told the magazine.

PEOPLE

Former Mayor Becomes Former Broadcaster

Edward Koch, the former mayor of New York, was axed as host of a political talk show — just five days after **Charles Rangel**, the Manhattan Democratic congressman, accused Koch of slandering him on the air with racist remarks. **Martin Blair**, a station spokesman, announced Koch left his job as host of WCBS-TV's "Sunday Edition" "because of different approaches to the broadcast. We have mutually agreed to terminate our relationship." Koch told UPI: "They thought I was too controversial and they asked me to tone down my remarks and my personality. But I can't do that. At age 66, I can't change my personality."

□

Robert Runcie, the archbishop of Canterbury, retired Thursday after 11 years as the spiritual head of the world's 70 million Anglicans. In his speech of resignation at a meeting of the Church of England's General Synod, Runcie, who is 69, touched on his heartache over **Terry Waite**, his envoy who was kidnapped in Lebanon in 1987 while trying to free Western hostages. Runcie will be succeeded by **George Carey**, bishop of Bath and Wells, who will be enthroned on April 19.

□

A collection of 895 photographs by the late **Cecil Beaton** from the estate of his secretary **Eileen Hose** has been accepted in lieu of taxes, **Tim Renton**, the British arts minister, said. Beaton, who died in 1980, was one of Britain's best known photographers and designers, creating scenery and costumes for ballet, opera and film, including "My Fair Lady" and "Gigi."

□

The love-gone-sour legal battles between the former Washington Redskins superstar **Joe Theismann** and his longtime housemate the starlet **Cathy Lee Crosby** are getting tough. In December the former quarterback filed suit in federal court about their property in Virginia and California. Now Crosby has been heard from. She's filed suit in Los Angeles seeking $4.5 million, claiming the golden-boy quarterback abandoned his promise to support her financially. She also wants a share of Theismann's piece of land in the Virgin Islands and his condominium in South Bend, Indiana.

INTERNATIONAL CLASSIFIED

PERSONALS

THANK YOU SACRED HEART of Jesus and St Jude for prayers answered. AWE

ANNOUNCEMENTS

THE AMERICAN UNIVERSITY OF PARIS

ADULT EDUCATION PROGRAMS

- FRENCH STUDIES
- MARKETING & ADVERTISING
- PSYCHOLOGY
- WRITING WORKSHOPS
- MICRO-COMPUTER APPLICATIONS
- TOEFL, GMAT, GRE PREPARATION
- AMERICAN LANGUAGE

Register now. Classes begin early Feb. Contact: The American University of Paris, 34 ave de New York, 75116 Paris. Tel: (1) 47 20 44 99

GSTAAD

GOTEP A.G ORIENTAL CARPETS moved from Galerie Francs to EXHIBITION Hall, Residence CABANA Please telephone 030/449 88

ANNOUNCEMENTS

ENGLISH TITLE FOR SALE The title of The Lordship of the Manor of Leiston in Suffolk. Covers area which includes Sizewell nuclear plant. Court records dating back to 13th century. Offers over £15,000. Interested parties should contact UK 0277 226060 ext 269

DUAL CITIZENSHIP Citizenship, Ambassadorships, legal identifications. Representing several independent sovereignties. Call: (714) 548-1856 or Fax (714) 723-0717

SEEKING AMERICAN AND U.K. senior citizens for residence in small American retirement home. Tel: Susan (33-1) 64.23.64.28

FEELING low? — having problems? SOS HELP crisis-line in English. 3 p.m.-11 p.m. Tel: Paris (1) 47 23 80 80.

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0320.

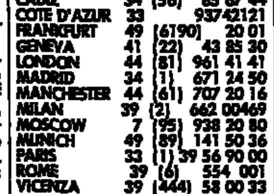
MAIL ORDER

SHEPLERS WESTERN WEAR CATALOG-World's largest selection of books, jeans, hats, suits, dresses & accessories. Call 011-1-316-946-3780 or U.S. only: 800-835-4004 for your free catalog. Give operator code 266, or write: Sheplers, Dept. 266, P.O. Box 7702, Wichita, KS 67277 USA.

MOVING

HOMESHIP. Small & medium moves, baggage, cars worldwide. Call Charlie: Paris (1) 42 81 18 81 (near Opera)

FRIENDSHIPS



Worldwide first-class Partnership

Claudia Püschel-Kniss GmbH

International Rendezvous Great Carneval Ball

Please book Germany Frankfurt T. (0) 69-239306 daily from 3 — 7 p.m.

Headoffice in Germany Frankfurt, Untermainkai 30 T. 06241/27450 or T. (0) 69-239306 FAX 06241/74354

Beautiful French lady 25 165, with very long hair, wonderful, big, expressive eyes, a [illegible], studied, multilingual, creative, highly imaginative, spontaneous and enthusiastic, loves the sun, the sea, the savoir vivre of Southern countries, sailing, [illegible], diving, is independent, selfconfident and still temptingly feminine and [illegible] is looking for a distinctive, cosmopolitan partner with format, for whom she would be without any bounds.
Please call T. (0) 69-239306 or T. (0) 6241-27450 Germany-Frankfurt daily from 3 p.m. [illegible] You will meet an exquisite young lady you will like very much!

EDITH BRIGITTA FAHRENKROG

SAY YES. TO A PARTNERSHIP THROUGH THE INTERNATIONAL PARTNERSHIP-AGENCY WITH ABSOLUTE PERSONAL ASSISTANCE. GIVE ME YOUR FULL CONFIDENCE. CALL ME EVERY DAY (ALSO SAT/SUN) GERMANY, EICKENBACHSTRASSE 31, D-6000 FRANKFURT AM MAIN, 3-7 P.M.
SOUND EXCLUSIVE CONFIDENTIAL TEL.: (0) 69/43 19 79, FAX (0) 69/43 20 66

CHARMING FASCINATING SWEDISH LADY, EARLY 50'S, IN INTERNATIONAL BUSINESS, GREW UP IN SWITZERLAND, WONDERFULLY FEMININE, TOP FIGURE WITH NATURAL CHARISMA, BLONDE HAIR, BLUE EYES, LOVES TO TRAVEL, ROMANTIC, VERY SPORTY. TENNIS, WATERSPORTS, HORSERIDING, COSMOPOLITAN. COULD LIVE WITH THEM ANYWHERE
PLEASE CALL [illegible] - GERMANY (0)69 - 43 19 79

Introduction
The agency for companionship and marriage
Mme. M. Th. Kläy, CH-3001 BERN/Neuengasse 45
Tel. 09-41-31-22 21 12
Documentation on request
New: Toronto-Canada
Swiss – worldwide – since 1956

EUROPOWER THE COSMOPOLITAN Private Institute for international Marriage & Relationships with VIP personalities, guarantees immediate introductions with really existing Top Class Personalities. Tel: 3120- 437358. Fax: 479948. W. Brugmalen 66, 1188 HB Amstelveen, HOLLAND.

PEN PALS reach out and make global friends. For registration forms send address, age and occupation to: Global Human Service, Box 1346, York, Pa. 17405, U.S.A.

EXCLUSIVE SINGLES CLUB in Geneva for select and serious introductions. Tel: +41 22 / 788.24.28.

MOVING

1992 - NOW !

interdean

INTERNATIONAL MOVERS

FOR A FREE ESTIMATE CALL

AMSTERDAM	31	(71)	89 93 24
ATHENS	30	(1)	961 12 12
BARCELONA	34	(3)	652 31 11
BERLIN	49	(30)	8154061
BONN	49	(2241)	6 60 62
BREMEN	49	(421)	17 05 91
BRUSSELS	32	(2)	720 95 63
CADIZ	34	(56)	85 67 44
COTE D'AZUR	33		93742121
FRANKFURT	49	(6190)	20 01
GENEVA	41	(22)	43 85 30
LONDON	44	(81)	961 41 41
MADRID	34	(1)	671 24 50
MANCHESTER	44	(61)	707 20 16
MILAN	39	(2)	662 00469
MOSCOW	7	(95)	938 20 80
MUNICH	49	(89)	141 50 36
PARIS	33	(1)	39 56 90 00
ROME	39	(6)	554 001
VICENZA	39	(444)	58 00 33
VIENNA	43	(222)	865 4706
WARSAW	48	(22)	635 27 48
WASHINGTON	1	(703)	-759 4801
ZURICH	41	(1)	945 04 00

ONE NAME, ONE COMPANY

Move Plus

THE INTERNATIONAL MOVERS

Head Office: World Trade Center Rotterdam. Tel: 31 (10) 405 2090

MOVE Plus - FRANCE
Desbordes - PARIS (33) 1-43.43.23.64
Demexport - NICE 05241082 (toll free)
MOVE Plus - NORWAY
Majortrans (47) 2- 507070
MOVE Plus - ENGLAND
Amertrans (44) 81- 953 3636
MOVE Plus - HOLLAND
Nijman (31) 10- 437 2255
MOVE Plus - GERMANY
IMS (49) 06172- 4831
MOVE Plus - BELGIUM
Ziegler (32) 2- 4222236
MOVE Plus - DENMARK
Adams (45) 31- 787400
MOVE Plus - SWEDEN
(Kungsholms (46) 753- 89400
MOVE Plus - SPAIN
Gil Stauffer (34) 1- 275 9844
MOVE Plus - SWITZERLAND
Geneva: Harsch (41) 22- 436885
Zurich: Welti-Furrer (41) 1- 272 1211

THE ADDED VALUE IN MOVING

IMPORT/EXPORT

U.S. VIDEO DIRECT SALES FEBRUARY SPECIAL II ARACHNOPHOBIA II Thrills, Chills and Entertainment Starring Jeff Daniels and John Goodman. Director Frank Marshall The hit movie - New on video

VHS U.S. $93 + U.S. $10 air shipment + 5% for foreign currency payment Send payment with order to: USVIDS, P.O. Box 190, Warsaw, NY 14569 USA. Fax: 716-786-3359

BUSINESS OPPORTUNITIES

THIS IS FINALLY AN EFFECTIVE solution to combat sexual weakness

FRENCH LABORATORY seeks distributors for this exceptional product. Veritable opportunity to make money. Contact us: SDIE SA, BP 118, 03205 VICHY FRANCE. Tel: 33-70.59.82.89. Fax 33-70.97.44.36

OFFSHORE BANK FOR SALE Tax haven country. Class A license. No taxes or liabilities. Bearer shares. No disclosure requirements. Immediate transfer. US $10,000. Call (714)548-1856 Fax (714)723-0717

GIBRALTAR TRUST & COMPANIES. Full confidential and professional services. Gouteland Trust Co. Ltd, P.O. Box 629, Gibraltar. Tel: 350-79013. Fax 350-70101. Tlx 2110 G Trust GK.

FOR SALE, LAND, HOTELS, GOLF developments, commercial and industrial investments in Europe and USA Tel: Spain (34) 52 81 38 27 and 52 78 33 48. Fax (34) 52 81 59 33

BUSINESS OPPORTUNITIES

LUXURY HOTEL PARIS AREA for sale, minimum FF120 million. Partnership can also be considered. Reply Box 2052, IHT, F-92521 Neuilly Cedex

BUY DIRECT - BULLETPROOF vests, leather jackets, etc. Made in Detroit. Dealers wanted. Tomo Body Armor 313-397-5800; Fax 313-397-2096 USA.

2ND TRAVEL DOCUMENTS. ID-drive licence-any country. GM, 26 Klemenu Athens 106-75 Greece. Fax 7219080

BUSINESS SERVICES

IMMIGRATION CANADA

Long established legal firm specialized in Investor/Business immigration to Canada

CAMPBELL, COHEN (Solicitors) 3500 de Maisonneuve West Suite 1802 Montreal, Canada H3Z 3C1 Tel: (514) 937-9445 Fax: (514) 937-2618

MY AMERICAN CONNECTION will be your personal shopper in U.S.A. Anything from a pen refill to an automobile. Quickly. Reasonably. My American Connection, P.O. Box 22373, Cleveland, OH 44122. Fax: 216-447-0933 or Tlx 825644.

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 071-499-9192. Tx 262890.

DIAMONDS

DIAMONDS

YOUR BEST BUY Single diamonds at wholesale prices by ordering direct from Antwerp, the world's most important cut-diamond market. Give diamonds to the ones you love, buy for investment, for your enjoyment.

Write airmail for free price list or call: JOACHIM GOLDENSTEIN DIAMANTEXPORT BVBA Established 1928 Pelikaanstraat 62, B-2018 Antwerp, Belgium - Tel: (32.3) 234.07.51 Telefax: 32.3/231.38.87.

REAL ESTATE FOR SALE

MONACO

PRINCIPALITY OF MONACO

FOR THE SALE, PURCHASE, RENTAL MANAGEMENT or INSURANCE of REAL ESTATE PROPERTY contact:

AGEDI

Residential & Commercial

7 and 9, Bd des Moulins MC 98000 MONACO Tel: (33)93.50.66.00 - Telex 479 417 MC Fax (33) 93 50 19 42

USA RESIDENTIAL

MANHATTAN ELEVATOR TOWNHOUSE All new state of art home with double height dining room, large sunny garden private master bedroom floor with terrace, granite kitchen, top security and much more. Price slashed for immediate sale or rental. Call owner direct. Tel:212-772-1818/Fax: 212-861-3601 US

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

RENTALS, LONG/SHORT TERM. Quality furnished flats central London. Frobyn Management Limited. 071 409 7822. 24hrs

KNIGHTSBRIDGE £49/night service luxury flats beside Harrods. From £26 in Kensington. Oxbridge Apartments Tel: 071 835-1611 Fax: 071 373-0036.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

FOR LONG OR SHORT STAY IN PARIS Fully equipped apartments or bedrooms from F1000, with private parking, security, health club and complete hotel services if required: restaurant, bar, room service, etc. For more information 1-45 53 96 31.

74 CHAMPS ELYSEES

LE CLARIDGE

FOR 1 WEEK OR MORE high class studio, 2 or 3-room apartments. FULLY EQUIPPED IMMEDIATE RESERVATIONS Tel: (1) 43 59 67 97

Near VICTOR HUGO very lovely 1900 building, superb 270 sq.m. apartment, reception, dining room, 4 bedrooms, perfect condition. F26,000 + justified key money. Tel: 1-45.53.45.89 or 1-43.47.24.58

ST GERMAIN DES PRES. Luxuriously renovated, 50 sq.m. open plan, quiet, garden view, light, beams. FF 8,500/month. Tel: (1) 43 29 06 20.

GOBELINS. Charming sunny 3-room flat, bathroom, 55 sq.m., equipped kitchen, 5th floor, balcony. F5,800 + charges F500. Tel (1) 42 62 41 79.

PARIS SEJOUR RESERVATION. 1 NIGHT TO SIX MONTHS. Tel 1-42 56 30 00 from 9am - 7pm

PARIS AREA UNFURNISHED

CANAL ST MARTIN, 2 rooms, kitchen, bath, newly redone, 3rd floor, lift, South. F4,500. (1) 45 44 11 64 AM.

REAL ESTATE WANTED/EXCHANGE

VERY URGENT Seek to rent in Paris, exceptional and original apartment, between 180 and 220 sq.m., minimum 4 rooms, for a private and serious person, quality + calm required. Please contact Sophie, Monday to Friday Paris Tel: (1) 40.55.03.64.

MALIBU CALIFORNIA family (3) wants to swap homes July-August 1991 Italy, France or Germany. We have 3 bedroom home. Walk to beach near Los Angeles. Sheila B. 7127 Dume Dr. Malibu, CA 90265 USA.

EMPLOYMENT

EXECUTIVE POSITIONS AVAILABLE

GENERAL MANAGER Shipping Co. offers attractive salary and other benefits for the right individual. Qualifications shipping, also fishing vessels management. Send C.V. to: Gateway Maritime S.A., 3, Triglias St., 171 21 Nea Smyrni, Athens - Greece. Confidentiality guaranteed.

GENERAL POSITIONS AVAILABLE

OVERSEAS POSITIONS Hundreds of top paying positions. All occupations. FREE DETAILS. Overseas Employment Services, Dept. HT, Box 460, Mt. Royal, Quebec, Canada H3P 3C7.

GENERAL POSITIONS WANTED

CREATIVE PROBLEM SOLVER. Copywriter seeks position with ad agency or company in Europe. Marketing and writing experience. Bottom line results. Turn me loose on print, business to business, DM. Write: 47 Oliver, Bristol, RI 02809 USA. Tel: (401) 253-5639.

ATTRACTIVE, EUROPEAN, multilingual lady seeking P.R. position with business executive. Free to travel. Please send reply to: M.S. Ortiz, 328 East 55 St., Apt. B3, NY, NY 10022 USA.

ATTRACTIVE, FLUENT, multilingual lady seeking P.R. position entailing international travel. Please send reply to: D. Becaline, 352 East 51 St., Apt. 3F, NY, NY 10022 USA.

DOMESTIC POSITIONS AVAILABLE

URGENT Seeking experienced couple, no children, bilingual English French. Her: maid, excellent cook. Him: butler (including table service), driver, for East of France Estate, independent accomodations (newly redone). Flexible hours according to needs. Serious references required + work permit. Send CV, photo & salary requirements to Baber Service, 32 bd Flandrin 75116 Paris.

EMPLOYMENT

DOMESTIC POSITIONS AVAILABLE

We are a "travelling" British American couple living in Paris and desire a dedicated & mature minded housekeeper/house manager. Candidate will have no family responsibilities, excellent references, knowledge of French and a clean driver's license. We have no children but have a lovable puppy. Summer months will be spent in the South at our vineyard in Grimaud. Candidate will have own car and apartment in Port Grimaud. We can promise challenging and variable duties, housing subsidy in Paris, salary and benefits negotiable. We are a small family that needs someone to take care of us! Please send CV plus a short note in your own handwriting describing yourself to Box 2061, IHT, 92521 Neuilly Cedex France.

AU PAIR. European female, in Atlanta, Georgia. 1 year. 1 child 18 months old. Photo/resume/references: Robert Golden M.D., 1170 Grimes Bridge Rd., Suite 100, Roswell, GA 30075 USA.

AU PAIR WANTED, 1 YR. USA. In Connecticut, near New York, Mon.-Fri., 2 girls, 6 & 8, pool, tennis, must drive, speak English or French. Call (203) 853-6568, Fax: (203) 853-7538.

SEEKING EXPERIENCED NANNY, live-in position in Paris 8th. Need 3 years experience minimum and references. Tel: (33-1) 42.25.00.33.

ENERGETIC AU PAIR housecleaning. Adults. Resume references phone and photo. PO Box 2271 Miami, FL 33243.

DOMESTIC POSITIONS WANTED

ENGLISH NANNIES & MOTHERS' HELPS. All staff thoroughly interviewed. Full dossiers supplied. Excellent terms of business. UK licensed 21 yrs. NASH AGENCY, 53 Church Rd, Hove, Sussex, UK Tel(403) 711436 (403) 711616 fax (403) 711462.

LOVING AND CARING SCOTTISH Nanny experienced Montessori, NNEB trained. Happy 50 year old seeks small baby or young child, sole charge preferred. CV on request care of Miss Villington, 152 Copmanton Road, Radford, Coventry, England

EXPERIENCED ENGLISH NANNIES and Baby Nurses for int'l jobs from Occasional & Permanent Nanny Agency, 2 Cromwell Place, London, SW7 2JE. Tel: 071-225-1555, Fax071-589-4966. Lic. UK SE8810.

WESTMINSTER NANNIES International have qualified and experienced staff available for overseas positions. We give a fast efficient, friendly service. Tel UK (0272) 876082 or fax your details on (0272) 340152.

BLACK GIRL, TYPIST, 25, looks for AU PAIR place to improve her English. Can look after children, cook, clean, iron, teach French. Write to Marie Bikoi, Marcello 12, CH-1700 Fribourg. Tel: 41 + 37/231013 (8am -6pm)

BRITISH BUTLER/VALET 5 years experience. Military background. Worked for titled family, seeks position. Excellent references. Contact UK 9083 68021

YOUNG ITALIAN WOMAN, history student, fluent French, seeks au pair position Paris, experience, references, French/Italian cooking, good presentation, free. (1) 40 33 48 23 (days).

CHAUFFEUR, RELIABLE, good presence, available now. Reply with Tel no. to Fax 351-1-2477352 Ref: 0890 Portugal

EXPERIENCED COOK, French, 28, seeks position with family. Excellent references. Tel Paris (1) 45470030

AUTOMOBILES

NEW & USED TOW TRUCKS, Carriers, Trucks & Truck Parts for Export. Tel: 201-288-3885 or Fax 201-288-8357.

AUTOS TAX FREE

FRED OPERT RACING WORLDWIDE
91Honda NSX 5spd Red/Black $76,900
91Mazda MiataRXScanvertible$14,999
91Porsche C2TURBO Blk/Blk $109,979
91MercedesSOOSL Black/Tan $99,900
91Mercedes300SL Black/Grey $81,477
91BMW 850I Auto Black/black$79,975
91Nissan300ZXTwinturbo white$29,990
91ToyotaMR2Turbo Sunroof Aircond$18,295
91Capri XR2 Turbo Convertible$16,477
91Corvette ZR1 - Red/Black $60,993
91Jeep Cherokee Limited 4x4 $24,499
Prices include European sea freight. Fax us for quotes on other models. 13BN.CentralAve.RomseyNJ07446USA Phone1-201-3271111 Fax1-201-3278222

AUTOS TAX FREE

new TAX-FREE used Range Rover + Chevrolet + etc. Mercedes + BMW + Audi + etc. Cadillac + Jeep + Jaguar + etc. Same day registration possible renewable up to 5 years

ICZKOVITS Claridenstrasse 36, CH-8027 Zurich Tel: 01/202 76 10. Telex: 815915. Fax: 01/202 76 30

ATK WORLDWIDE TAX FREE CARS. Export + shipping + registration. All new & used cars. Free radio. ATK NV, Ankerrui 22, 2000 Antwerp, Belgium. Tel: 323 / 2311653. Telex: 31535. Fax: 323 / 2316416. ATK, since 1959.

TRASCO BREMEN. Tax free new and used Audi, BMW, Mercedes, Porsche, Volkswagen, Volvo. Steindamm 38, 2820 Bremen 77, Germany. Tlx: 246624. Fax: (0)421/630205. Tel: (0)421/633044.

EUROPE AUTO BROKERS, Inc Holland - Phone: (31) 3402-64494 Fax: (31) 3402-60994

EURO + U.S.A. SPECIFICATIONS Tax free cars EPA/DOT conversions, shipping. E.A.C. Gevers Deynootweg 1130A, 2586 BX The Hague, Holland. Tl 31.70.3559245 Fx 3500824 Tx 33230

TRASCO BREMEN Mercedes + Audi Armored cars & stretched limousines from stock. Steindamm 38, D-2820 Bremen 77 Germany. Tlx: 246624. Fax: (0)421/630205. Tel: (0)421/633044.

AUTO SHIPPING

SAVE ON CAR SHIPPING. AMESCO, Kribbestr 2, Antwerp Belgium. To/from US, Africa. Regular Ro-Ro sailing. Free hotel. Tl 32/3/231-4239 Fx 232-5353

TRANSCAR 17 av de Friedland, 75008 Paris. (1) 4225 6444. Nice 9321 3550. Antwerp 233 9985. Cannes 9339 4344

BOATS/YACHTS

MAXIUM MOTOR BOATS INT'L. The affordable luxury from 17' to 27'. If you have the privilege to buy a tax free motorboat, ask for our free colour catalogue. TRANSCO MARINE - 95, Noorderlaan - 2030 Antwerp - Belgium. Tel: 03/542.62.40. Tlx: 35207 TRANS B. Fax: 03/541.11.84.

LEGAL SERVICES

DOMINICAN DIVORCE SINCE 1972. Attorney, PO Box 66423, Washington, D.C. 20035 USA. High references.

NANNIES

MONROE NANNIES INTERNATIONAL "The premier London agency for British staff"
- NANNIES
- NURSERY NURSES
- GOVERNESSES
short or long term contracts.
For full details of this service please call: Mrs. ANGELA GREENE Tel: 071-409-8867, Fax: 071-629-4165 18 South Molton St., Mayfair, W1 UK Licence No. SE8828

NANNIES INCORPORATED

BRITISH NANNIES & TOP MATERNITY NURSES
London Tel.: 71-323 33 38 Fax: 71 436 1328
Brussels Tel.: 2 735 84 62
Paris Tel.: 1 40 56 08 79
"Nannies Incorporated has built a reputation on professionalism" — Nursery World Sept. 1990
FRES INA MEMBER UK LIC No: SE 14670

ALBEMARLE BARCLAY The specialist agency for Nannies, Housekeepers, Butlers, Chauffeurs, Married Couples, Security Personnel and Social Secretaries. All staff interviewed and screened personally to meet your individual requirements, both Overseas and in the UK. Call: 071 493 2441 21 Hans Place, Knightsbridge, London SW1X 0EP. FRES MEMBER UK LIC No. SE 14900

LEGAL SERVICES

DIVORCE FINAL 1-DAY. Write 7111 Garden Grove Blvd., 102, Garden Grove, CA 92641. Fax (714)894-4220.

LOW COST FLIGHTS

ACCESS VOYAGES

	One Way	Round Trip
New York	F1255	F2510
Los Angeles	F1970	F3935
Miami	F1695	F3300
Montreal	F1140	F1980
Vancouver	F2280	F4320
Rio de Janeiro	F3110	F5775
Australia	F4950	F8555
Japan	F4240	F8325
London	F495	F610

and more destinations ... Discount on 1st & business class Rates subject to modifications Restrictions may apply Tel: (1) 40.13.02.02 & 42.21.46.94 Fax 45 08 83 35 6 rue Pierre Lescot, 75001 Paris Metro - RER Chatelet Les Halles (Lic. 175.111)...and also

ACCESS IN LYONS Tour Credit Lyonnais, 129 rue Servient 69003 Lyons. Tel: (16) 78 63 67 77 Book now by phone with credit card

DAILY FLIGHTS AT LOWEST FARES to any major north American int'l airport. Tel: Paris (33-1) 47 04 67 51.

LOW COST FLIGHTS

1ST OR BUSINESS CLASS ONLY Frequent Travellers to Orient/Australia/Africa/North & South America. Save up to 50%. No coupons, no restrictions. Imperial Canada 514-341-7227

WORLDWIDE scheduled departure at the lowest ever discount economy airfares. Credit cards possible. Tel: Paris (1) 42 89 10 81 Fax 42 56 25 82

COLLEGES & UNIVERSITIES

EXTERNAL DEGREES BACHELORS, MASTERS, DOCTORATE PLUS LAW. Credit work & life experience. No residency. Resume Evaluation. La Salle University, Mandeville, Louisiana 70470-4000 USA Phone 504-624-8932 Fax 504-624-8931

EARN UNIVERSITY degrees utilizing work, life & academic experience. For evaluation & information forward resume to: Pacific Southern University, 9581 W. Pico Blvd., Dept. 121, Los Angeles, CA 90035 USA

ARTS

SERIOUS JAPANESE BUYER with CASH looking to buy French Impressionist & other important paintings

IMMEDIATELY Send all information with photos & prices to: JAMAIS, INC. 127 E. 59th St, NY, NY 10022 USA Facsimile no: 212-360-1747

HEALTH/MEDICAL SERVICES

MALE SEXUAL DYSFUNCTION can now be treated medically. Confidential evaluation by M.D. specialist. Tel: 212-734-3438 USA.

FOR SALE & WANTED

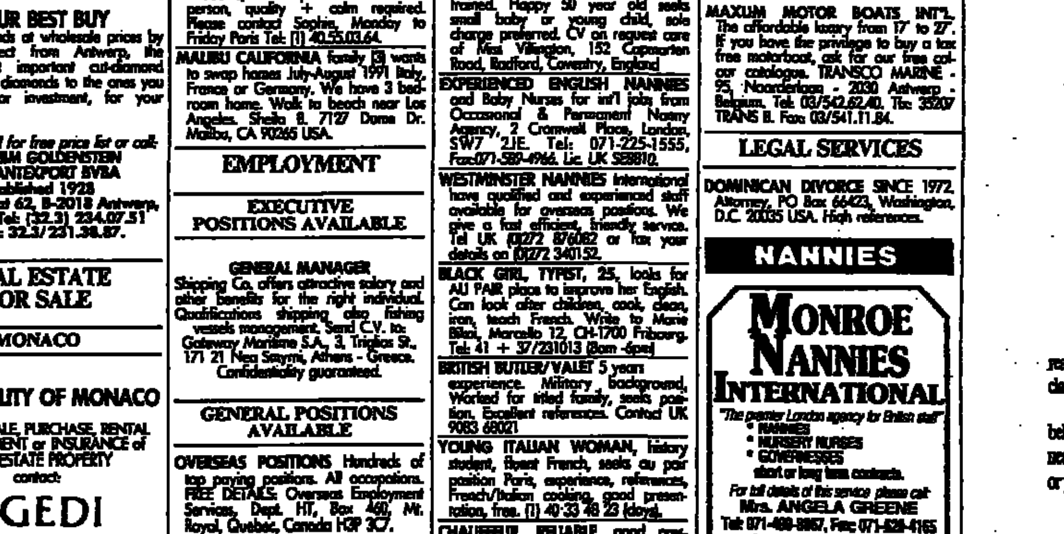
IMMEDIATE CASH PAYMENT for important autographs of American Presidents, Churchill, Einstein, Freud, Beethoven plus 100's of others. Major collections sought. Bruce Gimelson, 305 E. 24th St., NY, NY 10010. (212) 889-4273; Fax: (212) 683-8305.

TUXEDO SUITS, SHIRTS, BOW TIES second hand, many colors, all sizes. Better than new. Reasonably priced. FOB Holland Fax: 31 13 36 14 50 or Tel: 31 13 35 79 80.

PEN PALS

ORIENTAL AND ISLAMIC PEN FRIENDSHIP and family advice. Get registered with I.O.C. Box 6917, CH-8023 Zurich 23 Fax: CH-1-481 89 08 (Zurich, Switzerland)

Page 17 FOR MORE CLASSIFIEDS



Classified Valentine Message Contest

Every year on February 14th, more and more people use the Trib's classified section to send a greeting to the Valentine of their choice and some of them get pretty creative.

This inspired us to have some fun with our readers by launching a contest for the most original classified Valentine. Here's how it works.

Print your classified message on the form below—minimum 3 lines—and mail it to your nearest IHT office together with your remittance or your credit card reference. Your ad will run on Valentine's day (Thursday, February 14th) and that evening the jury will meet to select the winners. The results will be published in the IHT's edition of Thursday, February 21st.

So have some fun with us, wherever you may be. Get your creative juices flowing and send in your entry today.

International Herald Tribune.

PARIS: 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Tel.: (33-1) 46 37 93 85. Fax: 46 37 93 70. Telex: 613595

Please run my Valentine message in the IHT on Thursday, February 14, 1991

☐ My check is enclosed ☐ Please charge my credit card account:

Cost:	3 lines	4 lines	5 lines
US$	51	68	85

Card account number

☐ Visa ☐ MasterCard ☐ Access ☐ Eurocard ☐ Amex ☐ Diners

Card expiry date ________ Signature ________

Name ________

Address ________

City/Country ________

First line of text takes a minimum of 25 letters, symbols or spaces; all other lines up to 36. No abbreviations. Minimum space accepted: three lines.

Tel./Telex ________ 3-2-91

FIRST LINE OF TEXT:

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.

هكذا من الأصل